The City of Winnipeg

ANNUAL FINANCIAL REPORTS

1988

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Tache Promenade Park

THE CITY OF WINNIPEG

MANITOBA, CANADA

Annual Financial Reports 1988

- **City Treasurer**
- **Sinking Fund Trustees**

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90-00534/

City Council—1988

Mayor
His Worship William Norrie, Q.C.

Deputy Mayor
Eric Stefanson

COUNCILLORS
(Listed by Community Committee)

ASSINIBOINE PARK—FORT GARRY

John Angus - resigned following election to Provincial Legislature April 26, 1988
Dave Brown
Bill Clement
Larry Fleisher
Marcel Laurendeau - elected to Council June 14, 1988
Bill Neville

CITY CENTRE—FORT ROUGE

Magnus Eliason
Donald I. Gerrie
Ernie Gilroy
Harold Macdonald
Harold Taylor - resigned following election to Provincial Legislature April 26, 1988
Donovan Timmers - elected to Council June 14, 1988
Alan C. Wade

EAST KILDONAN—TRANSCONA

Anne Jorowski
George Marshall
Don Mitchelson
Alfred J. Skowron
Shirley Timm-Rudolph

LORD SELKIRK—WEST KILDONAN

Harry Lazarenko
Chris Lorenc
Mike O'Shaughnessy
Helen Promislow
Terry Wachniak

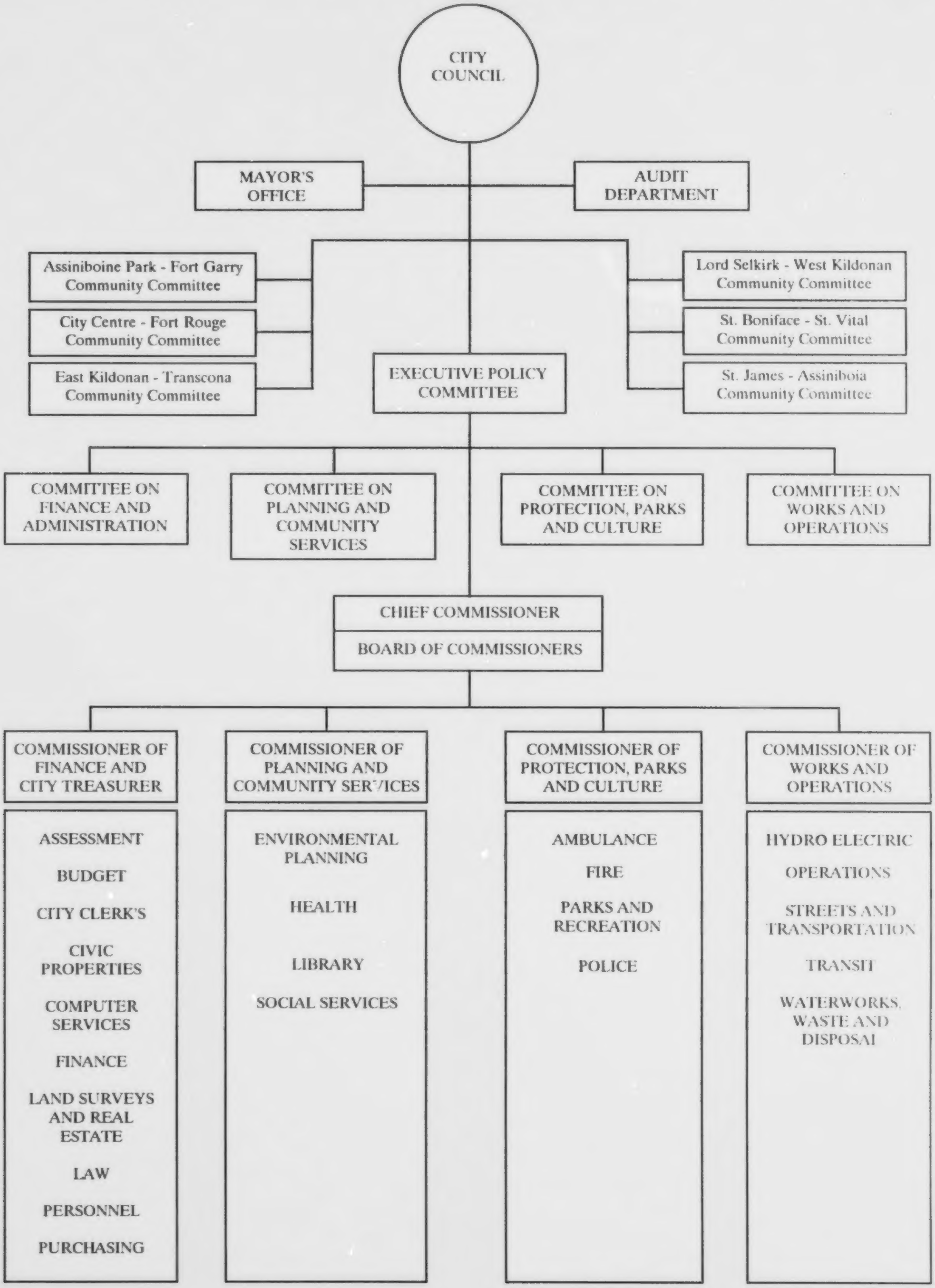
ST. BONIFACE—ST. VITAL

Louise Dacquay
Doreen Demare
Allan Golden - elected to Council June 14, 1988
Bob Rose - resigned following election to Provincial Legislature April 26, 1988
Guy M. Savoie

ST. JAMES—ASSINIBOIA

Bob Douglas
Jae Eadie
John Steel
Eric Stefanson

The City of Winnipeg


CITY COUNCIL
MAYOR'S OFFICE
AUDIT DEPARTMENT
Assiniboine Park - Fort Garry Community Committee
City Centre - Fort Rouge Community Committee
East Kildonan - Transcona Community Committee
Lord Selkirk - West Kildonan Community Committee
St. Boniface - St. Vital Community Committee
St. James - Assiniboia Community Committee
EXECUTIVE POLICY COMMITTEE
COMMITTEE ON FINANCE AND ADMINISTRATION
COMMITTEE ON PLANNING AND COMMUNITY SERVICES
COMMITTEE ON PROTECTION, PARKS AND CULTURE
COMMITTEE ON WORKS AND OPERATIONS
CHIEF COMMISSIONER
BOARD OF COMMISSIONERS
COMMISSIONER OF FINANCE AND CITY TREASURER
ASSESSMENT
BUDGET
CITY CLERK'S
CIVIC PROPERTIES
COMPUTER SERVICES
FINANCE
LAND SURVEYS AND REAL ESTATE
LAW
PERSONNEL
PURCHASING
COMMISSIONER OF PLANNING AND COMMUNITY SERVICES
ENVIRONMENTAL PLANNING
HEALTH
LIBRARY
SOCIAL SERVICES
COMMISSIONER OF PROTECTION, PARKS AND CULTURE
AMBULANCE
FIRE
PARKS AND RECREATION
POLICE
COMMISSIONER OF WORKS AND OPERATIONS
HYDRO ELECTRIC
OPERATIONS
STREETS AND TRANSPORTATION
TRANSIT
WATERWORKS, WASTE AND DISPOSAL

The Board of Commissioners

His Worship
Mayor William Norrie

G.M. Savoie
Chairman of Executive
Policy Committee

N. W. Diakiw
Chief Commissioner
(Retired January 14, 1989)

L. Hutcheon
Commissioner of
Finance and City Treasurer

D. G. Henderson
Commissioner of
Planning and Community
Services
(Retired July 1, 1988)

R.F. Lunney
Commissioner of
Protection, Parks
and Culture

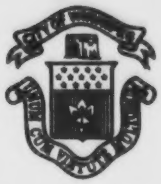
R.J. McRae
Commissioner of
Works and Operations

Officials of Finance Department

Mr. M. Bilow
Deputy City Treasurer

Mr. E. E. Skehar
Manager of Financial Services

Mr. R.K. Dowdall
Manager of Branch Operations



Annual Report of the City Treasurer 1988

Treasurer's Report

His Worship the Mayor
and Members of the Council
of The City of Winnipeg.

June 15, 1989

Ladies and Gentlemen:

I am pleased to present herewith the Annual Financial Statements of The City of Winnipeg for the year 1988. Included are the Combined Balance Sheet and Statement of Revenue and Expenditure together with supporting statements of each of the separate accountable units of the City, namely General (Tax Supported); Reserve and Trust Funds; Equipment and Material Services Fund; the Utilities (Hydro Electric, Steam Heating, Transit, Water Works and Sewage Disposal Systems); the Winnipeg Ambulance Service, the Municipal Hospital Commission, and Pension Funds, all of which have been duly audited.

This report includes statements which provide additional information on matters such as tax levies and rates, assessment, debenture debt analyses and floating debt.

The operations of the City for the year 1988 produced a surplus of $7,921,751, and this factor, together with well-maintained tax collection levels (page 147), a 13% reduction in foreign denominated debt and favourable debt service ratios (page 148) demonstrates the continuing stability of the City's financial position.

This publication also includes the Annual Report of the Sinking Fund Trustees and as well the Annual Financial Statements of The Convention Centre Corporation and Winnipeg Enterprises Corporation.

I take pleasure in acknowledging the co-operation and assistance received from the members of The Board of Commissioners, Department Heads and other officials of the City's various departments, and extend thanks to them and the staff of the Finance Department for their support.

The co-operation and assistance rendered by officials of other levels of government is also gratefully acknowledged.

Respectfully submitted,

L. Hutcheon,
Commissioner of Finance and City Treasurer.

Auditor's Report

To The Mayor and Members
of City Council,
The City of Winnipeg.

In accordance with the requirements of The City of Winnipeg Act, I have examined the combined balance sheet, the balance sheets of The City of Winnipeg General Capital Fund, General Revenue Fund, Hydro Electric System, Steam Heating System, Water Works System, Sewage Disposal System, Transit System, Equipment & Material Services Fund, Ambulance Service, General Reserve Fund, Equipment Replacement Reserve Fund, Recreation Programming Reserve Fund, Future Tax Levies Reserve Fund, Land Operating Reserve Fund, Watermain Renewal Reserve Fund, Trust Fund, Zoo Animals Reserve Fund, Zoo Purposes Reserve Fund, and Contributions in Lieu of Land Dedication Reserve Fund as at December 31, 1988 and the related statements of revenue and expenditure, retained earnings, reserve accounts, trust fund account, statement of source and application of capital funds and statements of changes in financial position, for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required. I report separately on the various boards, commissions and pension funds.

Included in General Revenue Fund Accounts Receivable are amounts for Grants-in-lieu of taxes owing by the Government of Canada and the Manitoba Hydro and for Transit Grants from the Province of Manitoba which have now been determined to be uncollectible.

Had the allowance for these doubtful accounts been recorded, the allowance would have been increased by $4,230,254 and the surplus for the year would have been reduced by the same amount.

In my opinion, except for failure to provide for the allowance for the doubtful accounts referred to in the preceding paragraph, the aforementioned financial statements present fairly the financial position of The City of Winnipeg as at December 31, 1988 and the results of its operations for the year then ended in accordance with accounting principles described in the notes to the financial statements applied on a basis consistent with that of the preceding year.

LE Marks
CHARTERED ACCOUNTANT
AND CITY AUDITOR

Winnipeg, Manitoba
June 15, 1989

COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION

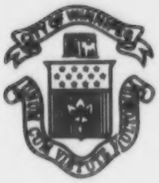
I have reported to the Mayor and Members of Council on my examination for the purpose of expressing an opinion on the financial statements of The City of Winnipeg for the year ended December 31, 1988.

I do not express an opinion on the statistical schedules since my examination did not extend to the detailed information therein.

LE Marks
CHARTERED ACCOUNTANT
AND CITY AUDITOR

Winnipeg, Manitoba
June 15, 1989

Portage and Main Looking East (© Henry Kalen Ltd.)


CITY OF WINNIPEG
UNUM CUM VIRTUTE MULTORUM

Combined Financial Statements and General Funds

The City of Winnipeg
Combined Balance Sheet

As at December 31, 1988

	General Capital & Revenue Funds	Reserve and Trust Funds	Equipment & Material Services Fund	Ambulance Service	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	TOTAL
ASSETS										
Cash	$ 5,707,934	$ 5,738	$ 400	$ 200	$ 397,036	$ 100	$ 242,519	$ 13,118	$ 150	$ 6,367,195
Short Term Investments	157,481,854	1,665,900								159,147,754
Long Term Investments	133,547	7,930,677								8,064,224
Accrued Interest Receivable	1,264,569	129,698	—	—	—	—	—	—	—	1,394,267
Accounts Receivable, Net	44,834,750	2,788,722	38,999	447,554	10,772,336	646,607	873,358	4,603,068	658,370	65,663,764
Due from Other Funds	8,671,899	114,860,652	5,756,578	—	—	—	—	14,320,670	24,457,151	168,066,950
Material and Supplies	2,252,832	—	4,306,091	—	3,519,596	163,243	2,265,394	257,222	—	12,764,378
Deferred Charges	5,152,974	2,296	—	—	340,256	68	5,037	669,794	167,975	6,338,400
Sinking Funds Held for Retirement of Debt	94,965,707	—	—	—	30,643,362	—	4,722,099	17,677,751	13,221,058	161,229,977
Property Plant & Equipment	582,396,313	12,531,923	34,659,145	—	84,071,801	140,480	23,158,916	39,278,390	94,950,079	871,187,047
Capital Grants	4,705,442	—	—	—	—	—	—	—	—	4,705,442
	$907,567,821	$139,915,606	$ 44,761,213	$ 447,754	$129,744,387	$ 950,498	$ 31,267,323	$ 76,820,013	$133,454,783	$1,464,929,398
LIABILITIES										
Bank Overdraft	$ 15,627,775	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 15,627,775
Call Loans	56,810,900	—	—	—	—	—	—	—	—	56,810,900
Accounts Payable	51,127,322	755,577	1,499,260	192,000	9,105,265	504,066	1,629,013	708,961	3,670,881	69,192,345
Accrued Debenture Interest	15,268,858	—	—	—	2,530,631	—	756,693	1,367,881	3,818,523	23,742,586
Due to Other Funds	155,978,828	1,057,697	2,294,657	255,754	1,390,533	374,256	3,299,002	2,149,193	1,267,030	168,066,950
Deferred Liabilities	6,008,223	203,932	534,980	—	—	—	—	—	—	6,747,135
Deferred Revenue	21,130,631	1,912,609	—	—	—	—	38,420	—	—	23,081,660
Customers Deposits	3,554,427	37,331	—	—	965,584	30,380	—	4,735	84,200	4,676,657
Debenture Debt	473,023,918	—	—	—	81,325,325	—	24,728,462	53,550,456	104,299,967	736,928,128
Provision for Foreign Exchange	10,749,615	—	—	—	2,338,197	—	815,733	1,022,502	500,500	15,426,547
Sinking Fund Reserves	90,365,573	—	—	—	—	—	—	—	—	90,365,573
Current Revenue Surplus	7,921,751	—	—	—	—	—	—	—	—	7,921,751
	$907,567,821	$ 3,967,146	$ 4,328,897	$ 447,754	$ 97,655,535	$ 908,702	$ 31,267,323	$ 58,803,728	$113,641,101	$1,218,588,007
EQUITY										
Capital Invested in Plant	$ —	$ —	$ 34,604,354	$ —	$ 3,380,191	$ —	$ —	$ —	$ —	$ 37,984,545
Reserves	—	135,948,460	—	—	—	—	—	—	—	135,948,460
Retained Earnings	—	—	5,827,962	—	28,708,661	41,796	—	18,016,285	19,813,682	72,408,386
	$ —	$135,948,460	$ 40,432,316	$ —	$ 32,088,852	$ 41,796	$ —	$ 18,016,285	$ 19,813,682	$ 246,341,391
	$907,567,821	$139,915,606	$ 44,761,213	$ 447,754	$129,744,387	$ 950,498	$ 31,267,323	$ 76,820,013	$133,454,783	$1,464,929,398

The City of Winnipeg
Combined Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	General Capital & Revenue Funds	Reserve and Trust Funds	Equipment & Material Services Fund	Ambulance Service	Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	TOTAL
REVENUE										
Taxation										
Municipal	$350,633,792	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 350,633,792
Education	258,968,887	—	—	—	—	—	—	—	—	258,968,887
	609,602,679	—	—	—	—	—	—	—	—	609,602,679
Operating Revenue	37,271,854	23,968,058	37,171,466	3,925,222	102,067,477	3,730,129	35,631,964	39,789,043	37,829,617	321,384,830
Provincial and Federal Grants	94,713,948	—	—	1,316,401	—	36,821	17,322,756	341,621	104,736	113,836,283
Interest Earned	2,407,508	12,043,141	—	—	—	—	—	—	—	14,450,649
Debt Charges Recovered	22,283,636	—	—	—	1,748,307	—	689,248	1,446,081	973,815	27,141,087
Previous Revenue Surplus	4,129,451	—	—	—	—	—	—	—	—	4,129,451
Contributions from Other Funds	22,200,037	9,621,519	—	1,827,023	—	741,484	17,849,113	—	995,460	53,234,636
TOTAL REVENUE	$792,609,113	$ 45,632,718	$ 37,171,466	$ 7,068,646	$103,815,784	$ 4,508,434	$ 71,493,081	$ 41,576,745	$ 39,903,628	$1,143,779,615
EXPENDITURE										
Depreciation, Debt and Finance	$ 85,985,995	$ —	$ —	$ 375,537	$ 10,658,627	$ 156,618	$ 3,704,146	$ 8,582,051	$ 13,061,110	$ 122,524,084
Operating Expenses	394,353,940	25,111,948	35,974,364	6,693,109	81,883,445	4,351,816	67,788,935	28,004,989	18,721,199	662,883,745
Transfer Provincial Grants	15,890,247	—	—	—	—	—	—	—	—	15,890,247
Contributions to Other Funds	29,488,293	3,539,822	—	—	741,484	—	—	3,481,126	3,483,911	40,734,636
Education Payments	258,968,887	—	—	—	—	—	—	—	—	258,968,887
TOTAL EXPENDITURE	784,687,362	28,651,770	35,974,364	7,068,646	93,283,556	4,508,434	71,493,081	40,068,166	35,266,220	1,101,001,599
REVENUE OVER (UNDER) EXPENDITURE	7,921,751	16,980,948	1,197,102	—	10,532,228	—	—	1,508,579	4,637,408	42,778,016
	$792,609,113	$ 45,632,718	$ 37,171,466	$ 7,068,646	$103,815,784	$ 4,508,434	$ 71,493,081	$ 41,576,745	$ 39,903,628	$1,143,779,615

Notes To The Combined Financial Statements
December 31, 1988

1. **Basis of Combined Statements**

   These statements are a summary of the funds illustrated and reported on in detail in the ensuing pages. City-related corporations, Pension Funds and the Municipal Hospitals are excluded. The Sinking Fund for retirement of debt is included as it relates to the funds recording the debt.

2. The Hydro Electric System column on the Statement of Revenue and Expenditure does not include a contribution to the General Fund of $12,500,000 out of Retained Earnings.

The City of Winnipeg
General Capital Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
ACCOUNTS RECEIVABLE, net		
Province of Manitoba	$ 2,861,767	$ 3,222,150
Government of Canada	427,890	301,119
Other	730,486	124,793
	4,020,143	3,648,062
DUE FROM MUNICIPAL HOSPITAL COMMISSION	26,538	49,919
DEFERRED CHARGES	348,017	1,014,682
FUNDS ON DEPOSIT with Sinking Fund Trustees of the City of Winnipeg (Note 4 & 6(a))	94,965,707	102,803,412
FIXED ASSETS at amount of existing liabilities (Note 1(E))	497,062,049	455,112,457
Financed from General Reserve Fund (Note 2(a))	73,929,890	64,942,198
Financed from Land Operating Reserve Fund (Note 2(b))	2,017,191	2,344,208
	573,009,130	522,398,863
CONVENTION CENTRE, at amount of existing liabilities	9,387,183	9,203,804
WINNIPEG SCHOOL DIVISION NO.1, at amount of existing liabilities	—	238,000
CAPITAL GRANTS, at amount of existing liabilities		
Hospitals	2,161,853	2,161,853
Manitoba Centennial Corporation	—	900,000
Joint Use Facilities (Note 3)	2,543,589	2,987,369
	4,705,442	6,049,222
DEFERRED FOREIGN EXCHANGE	4,359,939	11,442,649
	$690,822,099	$656,848,613

Liabilities

	1988	1987
SHORT-TERM		
Accounts Payable	$ 7,912,775	$ 4,100,489
Due to General Revenue Fund	13,993,270	74,305,171
	21,906,045	78,405,660
LONG-TERM		
Debenture Debt (Note 5)	473,023,918	382,014,672
Provision for Foreign Exchange at Maturity (Note 1(A) & 6(b))	6,149,481	10,659,126
Deposits with Sinking Fund for Foreign Exchange (Note 6(a))	4,600,134	7,181,619
Debt at December 31, Exchange Rates	483,773,533	399,855,417
Due to General Reserve Fund (Note 2(a))	73,929,890	64,942,198
Due to Land Operating Reserve Fund (Note 2(b))	2,017,191	2,344,208
Deferred Liabilities (Note 7)	5,291,575	5,029,691
	565,012,189	472,171,514
DEFERRED CREDITS		
Prepaid Local Improvements	4,424,733	3,969,961
Development Agreements - Capacity Charges	2,764,777	2,336,159
Development Agreements - Pipeline East Area	652,183	623,430
Future Regional Roadways	2,760,315	2,914,999
Other	2,936,284	805,097
	13,538,292	10,649,646
RESERVES		
Sinking Fund Reserve		
Actuarial Requirements in Canadian Funds	78,584,020	82,014,547
Sinking Fund Surplus and Liabilities (Note 8)	11,781,553	13,607,246
	90,365,573	95,621,793
	$690,822,099	$656,848,613

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Revenue Fund
Balance Sheet
As at December 31, 1988

Assets

	1988	1987
CASH	$ 5,438,679	$ 2,884,373
CASH HELD IN TRUST (Note 22(a))	269,255	362,733
SHORT-TERM INVESTMENTS, at cost	156,792,216	121,161,452
ACCRUED INTEREST RECEIVABLE	1,264,569	1,125,521
LONG-TERM INVESTMENTS, at par (Note 5(e))	133,547	202,920
DEVELOPMENT DEPOSIT INVESTMENTS (Note 22(b))	689,638	905,552
TAX ARREARS (Note 1(B))	39,959,527	33,433,258
Less Allowance	39,959,527	33,433,258
	NIL	NIL
ACCOUNTS RECEIVABLE		
Province of Manitoba	21,514,471	21,146,201
Government of Canada	6,310,891	7,144,179
Sinking Fund Trustees	10,106,213	9,796,274
Other	3,480,096	3,577,099
	41,411,671	41,663,753
Less Allowance (Note 1(C))	3,940,416	2,493,789
	37,471,255	39,169,964
DUE FROM WORKERS COMPENSATION RESERVE FUND	34,333	34,444
DUE FROM INSURANCE RESERVE FUND	1,023,364	523,501
DUE FROM OTHER FUNDS	24,924,286	99,456,173
MATERIALS AND SUPPLIES, at cost (Note 1(F))	2,252,832	2,406,117
DEFERRED CHARGES	445,018	2,338,911
	$230,738,992	$270,571,661

Liabilities

	1988	1987
BANK OVERDRAFT	$ 15,627,775	$ 8,642,623
CALL LOANS	56,810,900	53,759,400
BALANCE OF CURRENT TAX LEVIES PAYABLE TO		
Public Schools Finance Board (Note 25)	8,094,459	48,606,278
School Divisions (Note 25)	8,298,277	47,796,723
	16,392,736	96,403,001
ACCOUNTS PAYABLE AND OTHER LIABILITIES (Note 1(D))	26,821,811	29,675,200
ACCRUED DEBENTURE INTEREST	15,268,858	13,304,129
DUE TO OTHER FUNDS	80,031,747	53,289,815
SURPLUS ON SUNDRY OPERATIONS	716,648	632,350
LOCAL IMPROVEMENT TAXES COMMUTED	5,479,099	5,323,195
DEFERRED REVENUE	1,843,985	1,842,319
TRUST CASH LIABILITIES (Note 22 (a))	269,255	362,733
DEVELOPMENT DEPOSITS (Note 22 (b))	689,638	905,552
PERFORMANCE AND OTHER DEPOSITS	2,864,789	2,301,892
	222,817,241	266,442,209
SURPLUS FOR THE YEAR (Note 1 (K))	7,921,751	4,129,452
	$230,738,992	$270,571,661

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg General Revenue Fund
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

REVENUE	Budget 1988	Actual 1988	Actual 1987
MUNICIPAL			
TAXATION			
Property Tax-General Municipal (Note 13)	$254,180,146	$254,180,146	$243,224,888
Transfer from Future Tax Levies Reserve Fund-Taxes Added (Note 14)	4,735,000	2,735,000	3,203,190
Local Improvement Taxes, and other Levies	17,552,028	16,842,773	16,397,324
Local Improvement Taxes Commuted	1,100,000	1,285,701	1,146,635
Licenses in Lieu of Realty Tax (Note 15(a))	380,000	381,748	357,649
Business Tax	33,000,000	31,166,780	30,816,938
Licenses in Lieu of Business Tax (Note 15(b))	1,465,000	2,637,955	1,789,316
Amusement Tax	1,700,000	2,100,430	1,908,606
Electricity and Gas Sales Tax	9,284,290	9,715,479	8,999,047
Special Utility Tax-City Steam Heating	100,710	109,239	93,158
	323,497,174	321,155,251	307,936,751
GRANTS IN LIEU OF TAXES - Property and Business	31,985,885	32,213,541	31,063,283
PROVINCIAL GOVERNMENT GRANTS			
Unconditional			
Current Programs	19,326,000	19,326,000	18,746,000
Municipal Tax Sharing	24,214,113	27,232,036	23,282,801
Transit Deficit (Note 19)	16,385,000	15,890,247	15,656,600
Social Assistance	21,070,684	22,501,328	20,437,862
Contributions to Hospital Debt Charges	205,511	205,511	205,511
Libraries	1,537,489	1,620,955	1,465,559
Police Alertmobile Grant	—	—	18,750
Special Tax Sharing Grant	4,000,000	2,100,000	—
Provincial Support Grant	5,086,041	5,202,085	4,675,377
Victim Assistance Grant	32,196	10,786	—
Dutch Elm Disease & Termite Control	350,000	425,000	350,000
	92,207,034	94,513,948	84,838,460
FEDERAL GOVERNMENT GRANTS			
Secretary of State Library Grant	—	200,000	—
OTHER REVENUE			
Permits and Fees	5,366,550	5,311,445	5,273,984
Licenses	1,381,000	1,511,527	1,468,459
Court and Parking Fines	6,600,000	6,844,655	6,681,873
Enterprise Operations	2,805,322	1,795,174	2,197,147
Sales of Goods and Services (Note 20)	14,787,170	14,378,708	13,853,057
Interest Earnings	877,575	2,407,508	6,864,993
Interest Capitalized	3,300,000	3,971,260	4,123,415
Tax Penalties	5,900,000	6,219,794	5,624,279
Sundry	421,200	1,210,551	1,157,453
	41,438,817	43,650,622	47,244,660
CAPITAL FINANCING			
Contribution from Sinking Fund	13,500,000	13,500,001	18,500,860
Sinking Fund Earnings	—	3,761,382	4,982,265
Debt Charges Recovered	443,042	488,493	453,626
Financial Credits	—	562,500	460,625
	13,943,042	18,312,376	24,397,376
CONTRIBUTIONS AND TRANSFERS			
Contribution from Hydro Profit	12,500,000	12,500,000	12,500,000
Transfer from Land Operating Reserve Fund	1,000,000	—	—
Transfer from Waterworks Fund (Note 24)	3,143,000	3,481,126	—
Transfer from Sewage Disposal Fund (Note 24)	3,109,600	3,483,911	—
	19,752,600	19,465,037	12,500,000
SURPLUS FROM PREVIOUS YEAR (Note 1 (k))	4,200,000	4,129,451	—
TOTAL MUNICIPAL REVENUE	527,024,552	533,640,226	507,980,530
REVENUE COLLECTED ON BEHALF OF SCHOOL AUTHORITIES			
Property Tax	231,307,948	231,307,948	214,897,446
Grants in Lieu of Property Tax	27,660,939	27,660,939	26,110,026
	258,968,887	258,968,887	241,007,472
	$785,993,439	$792,609,113	$748,988,002

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

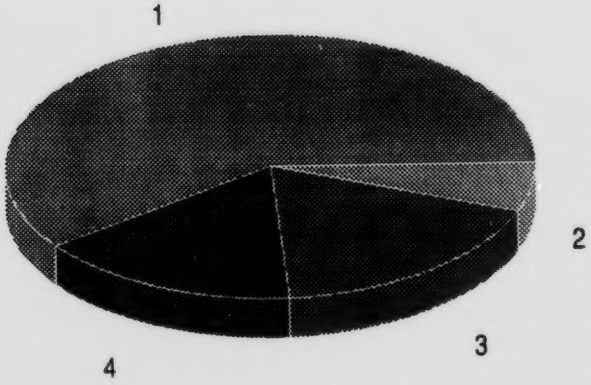
The City of Winnipeg
General Revenue Fund
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	Budget 1988	Actual 1988	Actual 1987
EXPENDITURE			
MUNICIPAL			
General Government	$ 32,332,227	$ 31,445,351	$ 28,114,194
Assessment and Board of Revision	6,549,805	6,426,221	5,861,449
Land Development	—	46,850	—
Environmental Planning	9,629,269	9,649,806	9,059,055
Public Works and Operations	83,870,035	83,096,430	77,855,398
Parks and Recreation	55,557,084	55,611,441	52,878,738
Transfer to Recreation Programming Reserve	—	208,242	59,591
Libraries and Museums	11,381,860	11,526,483	11,050,064
Protection	108,293,709	106,439,155	99,544,918
Health Services	5,292,569	5,432,642	4,941,578
Social Aid, Including Administration	30,678,553	32,312,635	29,933,943
Taxes on City Property	2,052,500	1,846,501	1,907,415
Special Grants	2,495,515	2,566,869	2,380,003
Insurance and Damage Claims	1,173,600	1,080,275	1,096,389
Winnipeg Ambulance Service	2,192,130	1,827,023	1,821,148
Convention Centre	932,322	932,322	906,472
Water Works and Sewage Frontage Levies	9,552,028	9,541,342	9,368,424
Appropriation to Transit System	36,222,991	33,739,360	34,452,334
Employee Benefits	28,267,085	28,827,666	26,562,872
Amortization of Pension Fund Deficits (Note 16)	5,003,777	5,003,777	4,877,777
Contribution to Severance Sick leave Reserve Fund	—	—	655,553
Severance Sick Leave Payments (Note 22(C))	3,500,000	2,951,049	—
Health and Education Tax	5,531,851	5,729,703	4,598,862
Prior Year's Deficit (Note 1(K))	—	—	5,721,674
Sundry	2,294,925	3,491,337	1,880,932
Capital Financing			
Debenture Debt Charges	61,365,546	59,883,697	59,495,686
Non-Debenture Funding	14,550,631	15,523,178	14,127,173
Financial Expense	3,680,000	3,156,700	2,413,526
Foreign Exchange	1,593,620	1,409,684	3,773,274
Amortization of Foreign Exchange	1,530,920	751,354	2,030,371
Contributions to Capital	1,500,000	1,500,000	1,500,000
Sinking Fund Earnings Applied to Debt Amortization	—	3,761,382	4,982,265
TOTAL MUNICIPAL EXPENDITURE	527,024,552	525,718,475	503,851,078
SURPLUS FOR THE YEAR (Note 1(K))	—	7,921,751	4,129,452
	527,024,552	533,640,226	507,980,530
PAYMENTS TO SCHOOL AUTHORITIES			
Provincial Education Support Program Levy (Note 25)	127,874,565	127,874,565	121,515,693
Special Levy-School Divisions (Note 25)	131,094,322	131,094,322	119,491,779
	258,968,887	258,968,887	241,007,472
	$785,993,439	$792,609,113	$748,988,002

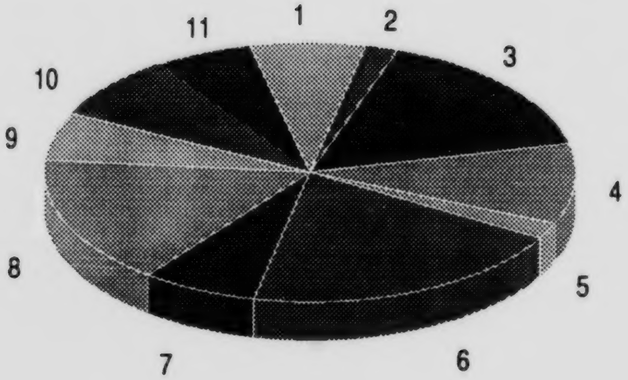
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

SOURCES OF THE CITY'S 1988 MUNICIPAL REVENUE



1.	Taxation	$ .60
2.	Grants In Lieu Of Taxes	.06
3.	Provincial Government Grants	.18
4.	Other (Permits, Licenses, Fines, Returns on Investments, etc.)	.16
		$1.00

HOW IT WAS EXPENDED



1.	General Government	$.07
2.	Environmental Planning	.02
3.	Public Works	.16
4.	Parks and Recreation	.10
5.	Libraries and Museums	.02
6.	Protection	.20
7.	Health and Social Services	.07
8.	Debt and Finance Costs	.16
9.	Employee Benefits	.06
10.	Contributions to Operations and Reserves	.08
11.	Other including Surplus	.06
		$1.00

The City of Winnipeg
Statement of Allowance for Tax Arrears

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 33,433,258	$ 35,719,029
ADD Transfer from Future Tax Levies Reserve Fund	7,128,223	—
	40,561,481	35,719,029
DEDUCT Taxes Written Off	601,954	1,105,413
Transfer to Future Tax Levies Reserve Fund	—	1,180,358
	601,954	2,285,771
Closing Balance	$ 39,959,527	$ 33,433,258

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Capital Fund
Statement of Source and Application of Funds

For the Year Ended December 31, 1988

	1988	1987
FUNDS WERE DERIVED FROM		
Accounts Receivable, January 1	$ 3,697,981	$ 4,278,263
Temporary Loan from General Revenue Fund	13,993,270	74,305,171
Deferred Credits	2,888,646	3,197,156
Debenture Issues	115,000,000	30,000,000
Reserves	13,464,568	15,395,266
Amortization of Foreign Exchange	652,188	2,030,370
Payment from Sinking Fund Trustees		
Foreign Exchange on Maturities	710,404	11,801,656
Foreign Exchange on Securities Net	2,301,613	2,566,720
Contributions and Grants		
Government of Canada	2,647,950	1,244,327
Province of Manitoba	13,877,385	9,726,549
City	5,832,748	2,391,476
Other	3,918,362	1,324,924
Accounts Payable, December 31	7,912,775	4,100,489
	$186,897,890	$162,362,367
FUNDS WERE EXPENDED FOR		
Payment of Accounts Payable	$ 4,100,489	$ 3,836,759
Acquisition and Construction of Capital Assets	95,653,613	98,352,957
Construction of Capital Assets by City Forces	7,700,796	7,658,753
Foreign Exchange on Maturities	1,091,140	12,601,661
Repayment of Temporary Loan to General Revenue Fund	74,305,171	36,214,256
Accounts Receivable, December 31	4,046,681	3,697,981
	$186,897,890	$162,362,367

The City of Winnipeg
Capital Expenditures and Amounts Unfinanced

For the Year Ended December 31, 1988

	Capital Expenditures	Amount (Pre-Funded) Unfinanced December 31
General Municipal Purposes		
General Capital Fund		
Local Improvements	$ 4,372,500	$ 4,979,916
Street Improvements	52,804,570	7,298,452
Land Drainage	9,362,192	2,533,841
Disposal Grounds	2,860,863	1,393,528
Parks and Recreation	11,252,385	5,089,063
Protection	1,494,665	(288,049)
Health and Social Development	1,949,153	1,483,203
Civic Accommodation	2,138,727	1,863,337
Special Projects		
Core Area	10,441,047	3,782,931
Historic Winnipeg	—	254,862
Convention Centre	557,470	474,593
Land Assembly	2,008,641	716,911
North Ellice Development	—	376,734
Rainbow Stage	1,797	198,468
Other	4,110,399	3,029,409
	103,354,409	33,187,199
Equipment Replacement Reserve Fund	5,044,857	—
Equipment Material Services Fund	850,350	—
	109,249,616	33,187,199
Utility Purposes		
Hydro Electric System	9,881,740	4,718,000
Steam Heating System	850	140,480
Transit System	6,652,667	123,184
Water Works System	18,115,745	645,852
Sewage Disposal System	11,450,914	2,128,865
	46,101,916	7,756,381
	$155,351,532	$ 40,943,580

Note: Municipal Hospital Capital Expenditures are excluded due to the March 31 year end.

The City of Winnipeg
Statement of Outstanding Capital Borrowing Authorizations

As at December 31, 1988

By-Law No.	M.B.O. No. or Date of Minister of Finance Approval	General Municipal Purposes		Municipal Hospital Commission	City Owned Utilities					Total
		General	Local Improvements		Hydro Electric System	Steam Heating System	Transit System	Water Works System	Sewage Disposal System	
1534/77	F 72/77	$ —	$ —	$ —	$ 2,041,060	$ 1,387,500	$ —	$ —	$ —	$ 3,428,560
2198/79	Mar. 21/79	2,600,955	—	—	—	—	—	—	—	2,600,955
2578/80	Mar. 26/80	2,827,197	500,000	—	338,700	46,500	550,000	—	—	4,262,397
2860/81	Mar. 2/81	3,989,856	—	—	1,060,300	50,000	663,800	—	—	5,763,956
3160/82	Mar. 9/82	5,765,484	1,211,210	—	—	—	—	71,680	—	7,048,374
3392/83	Mar. 9/83	5,397,879	1,588,393	—	—	—	—	64,350	—	7,050,622
3623/83	Dec. 20/83	539,463	—	—	—	—	—	—	—	539,463
3669/84	Mar. 12/84	10,279,569	1,950,608	983,775	—	—	20,367	57,740	56,300	13,348,359
3953/85	Mar. 26/85	6,028,702	2,280,247	15,340,000	37,900	20,000	27,764	—	60,000	23,794,613
4193/86	Apr. 9/86	7,770,918	596,107	15,446,100	22,100	—	7,590	—	6,065,600	29,908,415
4300/86	May 6/86	2,629,800	—	—	—	—	—	—	—	2,629,800
4545/87	Mar. 20/87	22,446,755	2,281,332	100,000	10,963,900	—	76,885	4,544	12,005,161	47,878,577
4830/88	Mar. 29/88	48,293,541	5,763,400	100,000	10,376,600	—	2,663,670	2,733,000	16,460,000	86,390,211
4939/88	Aug. 2/88	—	—	—	2,900,000	—	—	—	—	2,900,000
		$118,570,119	$16,171,297	$31,969,875	$27,740,560	$ 1,504,000	$ 4,010,076	$ 2,931,314	$34,647,061	$237,544,302

Changes in the Outstanding Capital Borrowing Authorizations 1988

Outstanding Capital Borrowing Authorizations at December 31, 1987	
ADD Initial Borrowing By-Law No. 4830/88 approved by the Minister of Finance March 29, 1988 and passed by Council April 13, 1988	$297,564,091
Initial Borrowing By-Law No. 4939/88 approved by Minister of Finance August 2, 1988 and passed by Council September 14, 1988	112,080,211
DEDUCT Debenture Debt Issued During the Year	2,900,000
	412,544,302
Outstanding Capital Borrowing Authorizations at December 31, 1988	175,000,000
	$237,544,302

NOTES

(1) The City of Winnipeg Act permits the City to borrow money by the issue of debentures where authorization has been granted by the Minister of Finance, or where, before November 1, 1977, authorization had been granted by the Municipal Board.

(2) Capital Borrowing authorizations approved for 1989 to June 30, 1989:
Initial Borrowing By-Law No. 5045/88 approved by Minister of Finance December 21, 1988 and passed by Council January 5, 1989, amounted to $2,365,840.
Initial Borrowing By-Law No. 5092/89 approved by Minister of Finance March 2, 1989, and passed by Council March 8, 1989, amounted to $128,969,495.

(3) Cancellation of Unused Borrowing Authorities:
By-Law No. 5044/88 Approved by The Minister of Finance, December 21, 1988, and passed by Council January 26, 1989, amounted to $19,249,993 which will be deducted from outstanding authorizations.

(4) The unfunded balance of capital expenditures for general Municipal purposes and for City owned utilities totalled $40,943,580 at December 31, 1988.

CITY OF WINNIPEG
UNUM CUM VIRTUTE MULTORUM

Reserve Funds

Reserve Funds

GENERAL RESERVE

City Council on May 2, 1973 authorized the establishment of a General Reserve Fund for the purpose of financing various Capital construction. Various by-laws of the former area municipalities establishing general reserves were repealed and the assets of these former reserve funds were transferred to the City of Winnipeg General Reserve. Interest charges on capital financing and investment income contribute to the growth of the reserve. The City Treasurer is the Fund Manager.

FUTURE TAX LEVIES RESERVE

City Council on May 16, 1973 authorized the establishment of a Future Tax Levies Reserve Fund to counteract the budgetary effect of fluctuations from year to year in the increased assessments due to the completion of major building construction projects by the private sector and of fully providing for uncollected taxes.

Disbursements from this reserve are limited to the annual budgetary provision for additions to the Tax Roll and any amount required to maintain the Allowance for Tax Arrears at 100% of uncollected taxes.

This reserve is maintained by the actual additions to the Tax Roll in each year and by contributions from the Sinking Fund Trustees of the City of Winnipeg in accordance with Section 338 of the City of Winnipeg Act. The City Treasurer is the Fund Manager.

EQUIPMENT REPLACEMENT RESERVE

City Council on May 2, 1973 authorized the establishment of an Equipment Replacement Reserve Fund to provide for the systematic replacement of equipment and to stabilize the effect on the annual budget. Various by-laws of the former area municipalities establishing equipment replacement reserves were repealed and the assets of these former reserve funds were transferred to the City of Winnipeg Equipment Replacement Reserve.

Disbursements from this reserve are limited to equipment replacement costs as approved in the Current Budget.

This reserve is maintained by an annual provision for replacement, investment income and the proceeds from the sale of used equipment. The Director of Operations is the Fund Manager.

SEVERANCE SICK LEAVE RESERVE

City Council on May 16, 1973 authorized the establishment of a Severance Sick Leave Reserve Fund to counteract the possible adverse budgetary effect of a great number of employees retiring from service in any one year.

As at December 31, 1987 the reserve was totally expended and it was formally dissolved by City Council on July 6, 1988.

LAND OPERATING RESERVE

City Council on May 16, 1973 authorized the establishment of a Land Operating Reserve Fund to reduce the need for the issuance and sale of debentures in connection with the cost of acquisition of properties for resale.

Disbursements from this reserve are limited to the cost of acquisition of properties for resale, and any other expenses directly related to the acquisition, sale and improvement of disposable City properties.

This reserve is maintained by proceeds from the sale of City owned properties and interest earned. The Director of Land Surveys and Real Estate is the Fund Manager.

CONTRIBUTIONS IN LIEU OF LAND DEDICATION RESERVE

City Council on January 10, 1973 adopted a policy that cash payments received by the City in lieu of land dedications for open space be deposited in a fund to the credit of each community. On January 17, 1979, Council amended the policy to also permit cash payments received from the sale of surplus Parks and Recreation lands to be deposited to the credit of each community. Disbursements from this reserve are limited to costs of acquiring or improving lands for parks, recreational facilities or open space within that community. The City Treasurer is the Fund Manager.

RECREATION PROGRAMMING RESERVE

City Council on October 6, 1976 approved the creation of a Reserve Fund for recreation programming at the community level. This Reserve to be established from cumulative surpluses or deficits of former Parks and Recreation Boards and Commissions as at December 31st, 1976, and to include any unexpended or over expended balances as identified in the approved recreation programming portions of the 1976 and subsequent years budgets. Council further resolved that such reserve funds be retained under the jurisdiction of the Community Committee concerned. The General Manager of Parks and Recreation and the City Treasurer are managers of this fund.

WATERMAIN RENEWAL RESERVE

City Council on February 18, 1981 authorized the establishment of a Watermain Renewal Reserve Fund for the purpose of financing, from one source, the renewal of watermains.

Disbursements from the reserve are limited to financing the construction of watermain renewals as approved in the Capital Budget.

The reserve was established in 1981 by the transfer of $2,000,000.00 from frontage levy revenue and will be maintained by the transfer of 100% of frontage levy revenue and interest earned. The Director of Waterworks, Waste and Disposal is the Fund Manager.

ZOO ANIMALS RESERVE

City Council on September 15, 1982 authorized the establishment of a Reserve Fund to provide for the replacement and improvement of animal stock in the Assiniboine Park Zoo.

Disbursements from this reserve are limited to the acquisition, including all other directly related costs, of any Zoo animals required.

The reserve is to be maintained by proceeds from the sale of surplus Zoo animals and interest earned. The General Manager of Parks and Recreation is the Fund Manager.

ZOO PURPOSES RESERVE

City Council on December 14, 1983 authorized the establishment of a Reserve Fund to which revenues derived from various Zoo programs would be credited to augment the Zoo's operating and capital budgets.

The Board of Commissioners and the General Manager of Parks and Recreation are the Fund Managers.

WORKERS COMPENSATION RESERVE

Under the terms of By-law No. 9802 of the former City of Winnipeg provision was made for the establishment of a Workers Compensation Reserve Fund, the administration of which was vested with the Sinking Fund Trustees. On January 1st, 1972, as a result of amalgamation of municipal governments in the Greater Winnipeg area the Workers Compensation Provision Account of the former Metropolitan Corporation of Greater Winnipeg was transferred to the City of Winnipeg Workers Compensation Reserve Fund. There were no other municipalities, prior to unification, having such a reserve.

Since Section 349(1) of The City of Winnipeg Act permits City Council to provide for the establishment and maintenance of reserve funds without the passing of by-laws, all former City of Winnipeg by-laws establishing the Workers Compensation Reserve Fund have been repealed allowing for the establishment and maintenance of the Workers Compensation Reserve in accordance with Section 349 of The City of Winnipeg Act. The Sinking Fund Trustees continue to manage the Fund.

The purpose of this Reserve is to enable the City to operate the Workers Compensation program on a self-insured basis. In lieu of paying premiums to the Workers Compensation Board, the City pays actual costs plus an administration charge. This cost is recovered from Civic departments by assessing premiums based on a percentage of gross payroll and the net result is transferred annually to the Reserve Fund. Prior to 1966 the premium was based on Workers Compensation Board rates. In addition to providing the required mechanism for self-insurance, the Reserve serves as a hedge against a work-related incident of extraordinary dimensions. The City Treasurer is the fund manager.

PARKS RESERVE

By-Law No. 14725 of the former City of Winnipeg, passed on April 8, 1935, created a fund for the perpetual care and maintenance of Brookside Cemetery, the fund to be built up by annual payments to the Sinking Fund Trustees of The City of Winnipeg during the years 1935 to 1959 amounting to 5% of the proceeds from the sale of plots and graves during the preceding year. By-Law No. 18290, passed on September 21, 1959, extended the annual payment period to 1984 and increased the amount payable each year to the fund to 25% of the proceeds from the sale of plots and graves during the preceding year. By-Law 1996/78 passed on June 14, 1978, further extended the annual payment period to the year 2004.

By-Law No. 1996/78 also created funds for the perpetual care and maintenance of St. Vital and Transcona Cemeteries to be built up by annual payments to the Sinking Fund Trustees of The City of Winnipeg during the years 1979 to 2004 (St. Vital Cemetery) and 1979 to 2029 (Transcona Cemetery) amounting to 25% of the proceeds from the sale of plots and graves during the preceding year.

The Sinking Fund Trustees are also empowered to accept deposits in respect of perpetual maintenance of individual cemetery plots but no such deposits have been accepted since 1951.

Administration of the Fund so created is vested by the respective By-laws, in the Sinking Fund Trustees. The City Treasurer is the fund manager.

INSURANCE RESERVE

City Council of the former City of Winnipeg, on September 19, 1960, authorized the establishment of an Insurance Reserve Fund to be used, at the discretion of Council, for the purpose of replacing or repairing any building or the contents thereof or any other public works or utility belonging to The City of Winnipeg that had been damaged by fire, or any other cause. On July 4, 1973 City Council authorized the use of the Insurance Reserve for the purpose of paying for any other losses that the City may incur in any part of its self insurance program, which would encompass third party liability claims, or property damage claims, including motor vehicles. Council order dated July 4, 1973 also authorized the transfer to the Sinking Fund Trustees of the insurance contingency funds of the former Metropolitan Corporation of Greater Winnipeg. Investment and administration of the fund has been vested with the Sinking Fund Trustees. The City Treasurer is the fund manager.

RESERVE FUND ASSETS AS AT DECEMBER 31

	1988	1987
General Reserve	$ 80,873,913	$ 72,925,863
Future Tax Levies Reserve	8,225,086	4,815,434
Equipment Replacement Reserve	15,745,662	12,817,839
Severance Sick Leave Reserve	—	4,121
Land Operating Reserve	22,112,971	20,531,657
Contributions in Lieu of Land Dedication Reserve	2,751,210	2,774,286
Recreation Programming Reserve	559,789	454,421
Watermain Renewal Reserve	1,753,285	1,505,795
Zoo Animals Reserve	246,558	179,909
Zoo Purpose Reserve	324,073	152,419
* The Workers Compensation Reserve	664,370	634,747
* Parks Reserve	2,988,121	2,617,673
* Insurance Reserve	3,587,522	3,725,268
	$139,832,560	$123,139,432

* The Assets of these Reserve Funds are being administered by the Sinking Fund Trustees of the City of Winnipeg.

The City of Winnipeg
General Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$ 115,411	$ 135,000
LONG TERM INVESTMENTS, at par	1,558,000	2,201,000
DUE FROM GENERAL CAPITAL FUND	73,929,890	64,942,198
DUE FROM WATERWORKS SYSTEM	2,149,193	2,372,707
DUE FROM SEWAGE DISPOSAL SYSTEM	1,267,030	1,376,156
DUE FROM MUNICIPAL HOSPITALS	1,854,389	1,898,802
	$80,873,913	$72,925,863

Liabilities

	1988	1987
GENERAL RESERVE ACCOUNT		
Allocated	$80,758,502	$72,790,863
Unallocated (Note 18)	115,411	135,000
	$80,873,913	$72,925,863

General Reserve Account

For the Year Ended December 31, 1988

Allocated

	1988	1987
Opening Balance	$72,790,863	$65,314,464
ADD		
Capital Construction Financed	15,549,428	14,100,573
	88,340,291	79,415,037
DEDUCT		
Principal Retirals	6,938,789	6,058,174
Maturity of Long Term Investments	643,000	566,000
Closing Balance	$80,758,502	$72,790,863

Unallocated

	1988	1987
Opening Balance	$ 135,000	$ 154,537
ADD		
Interest Earned (Note 17)	305,910	383,173
Maturity of Long Term Investments	643,000	566,000
Interest on Capital Financing	7,642,140	7,073,689
Principal Retirals	6,938,789	6,058,174
	15,664,839	14,235,573
DEDUCT		
Capital Construction Financed	15,549,428	14,100,573
Closing Balance	$ 115,411	$ 135,000

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Future Tax Levies Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$ 8,225,086	$ 4,815,434

Liabilities

	1988	1987
FUTURE TAX LEVIES RESERVE ACCOUNT	$ 8,225,086	$ 4,815,434

Future Tax Levies Reserve Account

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 4,815,434	$ 3,537,041
ADD		
Transfer from Allowance for Tax Arrears	—	1,180,358
Net Taxes Added During the Year and Adjustments (Note 14)	12,470,153	3,067,740
Interest Earned (Note 17)	802,722	233,485
	18,088,309	8,018,624
DEDUCT		
Transfer to General Revenue Fund	2,735,000	3,203,190
Transfer To Allowance For Tax Arrears	7,128,223	—
	9,863,223	3,203,190
Closing Balance	$ 8,225,086	$ 4,815,434

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment Replacement Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$15,446,149	$12,817,839
CONTRIBUTIONS RECEIVABLE (Note 11)	299,513	—
	$15,745,662	$12,817,839

Liabilities

	1988	1987
ACCOUNTS PAYABLE	$ 466,295	$ 342,316
DEFERRED CONTRIBUTIONS (Note 11)	—	75,000
	466,295	417,316
EQUIPMENT REPLACEMENT RESERVE ACCOUNT		
Allocated	10,896,674	10,651,523
Unallocated	4,382,693	1,749,000
	15,279,367	12,400,523
	$15,745,662	$12,817,839

Equipment Replacement Reserve Account

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$12,400,523	$ 8,786,870
ADD		
Provision for Replacement for the Year	5,892,627	5,337,510
Interest Earned (Note 17)	1,125,541	711,688
Sale of Equipment	284,596	358,265
Contributions for New Vehicles	479,513	—
Damage Claims Recoveries, and other	141,424	17,340
	20,324,224	15,211,673
DEDUCT		
Purchase of Equipment (Note 1(E))	5,044,857	2,811,150
Closing Balance	$15,279,367	$12,400,523

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Land Operating Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$ 6,027,561	$ 5,509,983
ACCOUNTS RECEIVABLE - Short Term	474,050	860,527
- Long Term	1,511,044	2,380,374
Less Allowances (Note 1(H))	1,385,094	2,440,438
	600,000	800,463
LONG TERM INVESTMENTS, at par (Note 2(b))	934,000	1,320,000
DUE FROM GENERAL CAPITAL FUND	2,017,191	2,344,208
DEFERRED CHARGES	2,296	2,023
PROPERTY AND IMPROVEMENTS (Note 9(b),12(b))	12,531,923	10,554,980
	$22,112,971	$20,531,657

Liabilities

	1988	1987
ACCOUNTS PAYABLE	$ 110,315	$ 299,786
DEFERRED REVENUE	1,912,609	2,290,122
DEFERRED LIABILITIES	203,932	248,932
LAND SALES DEPOSITS	37,331	23,720
	2,264,187	2,862,560
LAND OPERATING RESERVE ACCOUNT		
Unallocated - Available for Future Financing	665,107	584,580
Allocated		
Current Projects	3,698,267	2,863,307
Capital Construction Financed	2,951,191	3,664,208
Equity in Land	12,534,219	10,557,002
	19,848,784	17,669,097
	$22,112,971	$20,531,657

Land Operating Reserve Account

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$17,669,097	$16,866,158
ADD		
Land Sales (Note 12(c))	3,486,833	4,039,673
Interest on Bank (Note 17)	715,339	689,000
Capital Construction Interest	277,506	343,604
Miscellaneous Revenue	8,347	2,339
Project Administration Fee	—	72,000
	22,157,122	22,012,774
DEDUCT		
Cost of Land Sold	1,155,522	3,156,722
Servicing and Sales Expense	49,683	4,996
Miscellaneous Expenses	1,517	963
Transfer to Contributions in Lieu of Land Dedication Reserve Fund	804,822	387,527
Transfer to General Capital Fund	296,794	793,469
	2,308,338	4,343,677
Closing Balance	$19,848,784	$17,669,097

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Contributions in Lieu of Land Dedication Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$ 2,751,210	$ 2,774,286

Liabilities

	1988	1987
CONTRIBUTIONS IN LIEU OF LAND DEDICATION RESERVE ACCOUNT	$ 2,751,210	$ 2,774,286

Contributions in Lieu of Land Dedication Reserve Account

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 2,774,286	$ 2,143,839
ADD		
Proceeds from Sale of Dedicated Land	804,822	387,527
Cash Payments in Lieu of Land Dedication	868,391	1,287,128
Interest Earned (Note 17)	219,916	157,714
	4,667,415	3,976,208
DEDUCT		
Park Land and Improvements	1,740,889	1,194,694
Purchase of Land	175,316	7,228
	1,916,205	1,201,922
Closing Balance	$ 2,751,210	$ 2,774,286

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Recreation Programming Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$559,789	$454,421

Liabilities

	1988	1987
RECREATION PROGRAMMING RESERVE ACCOUNT		
Allocated	$499,273	$114,935
Unallocated	60,516	339,486
	$559,789	$454,421

Recreation Programming Reserve Account

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$454,421	$528,934
ADD		
Interest Earned (Note 17)	27,021	26,861
Unexpended Balances of Approved Recreation Programming Budgets (Net)	208,242	59,591
	689,684	615,386
DEDUCT		
Disbursements	129,895	160,965
Closing Balance	$559,789	$454,421

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Watermain Renewal Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$1,753,285	$1,505,795

Liabilities

	1988	1987
ACCOUNTS PAYABLE	$ 141,162	$ 387,463
WATERMAIN RENEWAL RESERVE ACCOUNT - Allocated	1,109,209	819,537
- Unallocated	502,914	298,795
	1,612,123	1,118,332
	$1,753,285	$1,505,795

Watermain Renewal Reserve Account

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$1,118,332	$ 855,443
ADD		
Frontage Levies	8,551,257	8,396,815
Interest Earned (Note 17)	130,625	92,592
	9,800,214	9,344,850
DEDUCT		
Watermain Renewals Funded	8,180,631	8,216,768
Builders Lien Act Interest	7,460	9,750
	8,188,091	8,226,518
Closing Balance	$1,612,123	$1,118,332

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Zoo Animals Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
ACCOUNTS RECEIVABLE	$ 24,840	$ 25,640
DUE FROM GENERAL REVENUE FUND	221,718	154,269
	$246,558	$179,909

Liabilities

	1988	1987
ACCOUNTS PAYABLE	$ 4,211	$ 21,920
ZOO ANIMALS RESERVE ACCOUNT	242,347	157,989
	$246,558	$179,909

Zoo Animals Reserve Account

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$157,989	$208,164
ADD		
Animal Sales	114,252	71,250
Cancellation of Prior Year's Animal Purchases	19,474	—
Interest Earned (Note 17)	15,249	10,959
	306,964	290,373
DEDUCT		
Disbursements	64,617	132,384
Closing Balance	$242,347	$157,989

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Zoo Purposes Reserve Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$314,093	$152,419
ACCOUNTS RECEIVABLE	9,980	—
	$324,073	$152,419

Liabilities

	1988	1987
ACCOUNTS PAYABLE	$ 32,094	$ —
ZOO PURPOSES RESERVE - GENERAL	247,372	152,419
- ELEPHANT RIDE	44,607	—
	291,979	152,419
	$324,073	$152,419

Zoo Purposes Reserve Account

For the Year Ended December 31, 1988

General

	1988	1987
Opening Balance	$152,419	$104,049
ADD		
Concession Revenue	31,271	—
Donation Boxes Revenue	29,312	22,292
Feeding Dispenser Revenue	8,134	12,600
Adoption Program Revenue	10,580	20,367
Colouring Books Revenue	4,662	7,171
Rental Stroller/Wheelchairs	15,591	11,208
	251,969	177,687
Interest Earned (Note 17)	14,535	7,747
	266,504	185,434
DEDUCT		
Disbursements	19,132	33,015
Closing Balance	$247,372	$152,419

Elephant Ride

	1988	1987
Opening Balance	$ —	$ —
ADD		
Ride Revenue	88,264	—
Interest Earned (Note 17)	2,381	—
	90,645	—
DEDUCT		
Disbursements	46,038	—
	$ 44,607	$ —

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
General Capital Fund, General Revenue Fund and Reserve Funds
Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**

A. FOREIGN EXCHANGE ON DEBENTURE DEBT—General Capital Fund

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rates prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 6(b))

B. TAX ARREARS AND ALLOWANCE FOR TAX ARREARS—General Revenue Fund

The allowance for Tax Arrears is not an allowance to bring the value of the taxes receivable to their estimated realizable value. It is an account which converts taxes to a cash basis (see note 9 (c)).

C. ALLOWANCE FOR ACCOUNTS RECEIVABLE—General Revenue Fund

Includes an allowance of $1,950,472 to bring the value of Accounts Receivable to their estimated realizable value and an allowance in the amount of $1,989,944 to convert certain revenue to a cash basis.

D. ACCOUNTS PAYABLE—General Revenue Fund

Commitments totalling $6,972,310 (1987 - $5,750,415) arising from purchase orders for goods and services which were not received during the year are set up as accounts payable. The effect of this policy is to provide for these expenditures in the current year when they would otherwise be a charge against future operations.

E. FIXED ASSETS—General Capital, General Revenue and Equipment Replacement Reserve Funds

Fixed assets of the General Capital Fund are valued at the amount of existing liabilities. In addition to assets which are capitalized, certain assets are treated as expenditures in the General Revenue Fund. Vehicles and associated equipment are treated as expenditures in the Equipment Replacement Reserve Fund.

F. MATERIALS AND SUPPLIES

Inventories are valued at specific cost, first in first out, last in first out and estimated cost.

G. GROSS ACCOUNTING CONCEPT

All revenues received and expenditures paid by the City with minor exceptions are reported at their gross amount in the accounting records.

H. ALLOWANCE FOR AGREEMENTS FOR LAND SALES—Land Operating Reserve Fund

This is not an allowance to bring the value of Agreements for Land Sales to their estimated realizable value. It is an allowance to convert land sales revenue to a cash basis. The unreserved amount of $600,000 is the result of the sale of the Fort Garry Hotel under a long term sales agreement.

I. ACCRUAL BASIS OF ACCOUNTING—General Capital, General Revenue and Reserve Funds

As noted in notes 1C and H, a cash basis of accounting is used for these revenues. A cash basis is also used for other revenues where accruals are not practical, such as licenses and police court fines. Interest revenue and expense are accrued for all external investments and debt but no accruals are reflected for long-term intra-fund liabilities to the General Reserve fund. Vacation pay is accounted for on a cash basis (see note 1L). All other items of revenue and expenditure are accounted for on an accrual basis.

J. OVERHEAD ON CAPITAL PROJECTS

Administration (to a maximum charge of $100,000 on any individual project) and interest are added on capital contract work and capitalized in the General Capital Fund. From time to time Council has waived this policy.

K. PRIOR YEARS SURPLUSES (Deficits)

The requirement of sections 348(3) and (4) of the City of Winnipeg Act are that surpluses and deficits must be carried forward to the next succeeding year as part of that years budget.

L. VACATION PAY

Employees accrue vacation credits from May to December of each year which together with unused holidays from previous years are not recorded as a liability on the Balance Sheet. The amount of this liability has not been determined.

2. **Fixed Assets** - General Capital Fund

a) Financed from General Reserve Fund — This asset is the cost of Local Improvements and other capital assets which have been financed from various reserve funds or Nominal Surplus during prior years or which were financed from the General Reserve Fund since January 1, 1972. This asset has been set up in the accounts to record the principal amount which is receivable from the General Revenue Fund and the ratepayers in the future, during the term of the various levying by-laws, with the offsetting liability shown as "Due to General Reserve Fund".

b) Financed from Land Operating Reserve Fund — This asset is the cost of Local Improvements which have been financed from the Land Operating Reserve Fund to improve City owned unserviced land for re-sale. This asset has been set up in the accounts to record the principal amount which is receivable from the General Revenue Fund and the ratepayers in the future, during the term of the various levying by-laws, with the offsetting liability shown as "Due to Land Operating Reserve Fund".

3. **Joint Use Facilities** - General Capital Fund

This asset represents the City's share of developing recreational and other facilities with School Boards.

4. **Funds on Deposit with Sinking Fund Trustees - For the City of Winnipeg** —General Capital Fund

a) The Sinking Fund Trustees of the City of Winnipeg is a separate corporate entity incorporated under the provisions of The City of Winnipeg Act.

b) Included in this asset are deposits for foreign exchange requirements of $4,600,134.

5. **Debenture Debt** - General Capital and Utility Funds

a) Sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%, except for the following listed By-laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 Years	3%
4025/85	1985	5 Years	3%
4246/86	1986	5 Years	3%
4247/86	1986	7 Years	3%
4347/86	1986	10 Years	3%
4510/87	1987	5 Years	3%
5010/88	1988	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund Utility Funds and the Municipal Hospital Commission in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

i)

	General Capital Including Mun. Hosp.	Utilities	Total
In Canadian Dollars	$418,990,588	$239,604,210	$658,594,798
In United States Dollars	60,033,330	24,300,000	84,333,330
	$479,023,918	$263,904,210	$742,928,128

ii) Included in the $418,990,588 is an amount of $43,253,000 which represents the City's Canadian dollar liability under the terms of a Japanese Yen - United States dollar fully swapped combination of loans which mature in 1993.

d) Excludes debt in the amount of $6,000,000 issued for The Municipal Hospital Commission of The City of Winnipeg. Annual service charges are the responsibility of the Manitoba Hospital Services Commission.

e) City of Winnipeg debentures are held as investments in various funds as follows:

General Revenue Fund	$ 133,547 par value
Reserve Funds administered by the City Treasurer	$ 2,492,000 par value
Reserve Funds administered by the Sinking Fund Trustees of The City of Winnipeg	$ 1,457,000 par value
Pension Funds	$13,191,000 par value
Sinking Fund Administered by the Sinking Fund Trustees of The City of Winnipeg	$61,185,397 par value

6. **Provision for Foreign Exchange at Maturity** - General Capital, General Revenue and Utility Funds

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

General Capital Fund	$ 4,600,134
Hydro Electric System	1,692,721
Transit System	364,938
Water Works System	610,640
Sewage Disposal System	475,275
	$ 7,743,708

b) Debenture debt payable in foreign currencies amounted to $84,333,330 as at December 31, 1988. The foreign exchange on this liability at the exchange rates prevailing at balance sheet date totalled $16,234,166. To date $9,934,969 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency debenture issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $1,315,353. The foreign exchange deficiency of $5,491,577 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as deferred charges to be amortized over the remaining life of the related debenture issues by annual charges to appropriations and/or operations.

			Provision for Foreign Exchange		
	Debenture Debt Payable in Foreign Currencies	Foreign Exchange Liability	Accumulated Provision to Date	Exchange On Sinking Fund Held Investments	Deferred to Future Periods
General Capital Fund	$60,033,330	$11,556,416	$6,389,676	$ 806,802	$4,359,938
Hydro Electric System	14,000,000	2,695,000	2,017,487	356,803	320,710
Transit System	2,000,000	385,000	815,733	77,000	—
Water Works System	5,700,000	1,097,250	352,708	74,748	669,794
Sewage Disposal System	2,600,000	500,500	359,365	—	141,135
	$84,333,330	$16,234,166	$9,934,969	$1,315,353	$5,491,577

7. **Deferred Liabilities** - General Capital Fund
Under the terms of certain development agreements, the City is required to pay the developer local improvement taxes to be collected in future years, in payment for improvements made which benefit property not included in the development agreement.

8. **Sinking Fund Surplus and Liabilities** - General Capital Fund
The Sinking Fund Trustees have allocated $11,062,021 of their surplus to the City to be distributed as follows:

$ 1,092,000	toward foreign exchange costs - 1988 Budget
950,401	toward foreign exchange costs - 1989 Budget
6,670,856	toward levy commutations - 1988 Budget
2,348,764	toward levy commutations - 1989 Budget
$11,062,021	

9. **Tax Arrears and Allowance for Tax Arrears** - General Revenue and Future Tax Levies Reserve Fund
   a) In 1972 City Council adopted a policy of purchasing all tax sale certificates which may subsequently be redeemed by the original owner within one year or assigned by the City to anyone demonstrating a legal interest, failing which the City will acquire title.
   b) Tax Arrears does not include arrears for property for which the City has acquired title through tax sale procedures. Tax titles are transferred to the Land Operating Reserve Fund in the year in which title is acquired and in 1988 this amounted to 12 properties at $968,457. If the property is sold in a subsequent year, the sale is recorded in the Land Operating Reserve Fund at that time.
   c) In accordance with a policy established by the former City of Winnipeg and approved by Council on May 16, 1973, uncollected taxes are fully provided for, thus converting tax revenue to a cash basis. At December 31, 1988 an allocation of $7,128,223 from the Future Tax Levies Reserve Fund was credited to Allowance For Tax Arrears so that the latter would equal uncollected taxes and penalties at year end after giving effect to write-offs amounting to $601,954.

10. **Contingent Liabilities** - General Capital and General Revenue Funds
   a) There is a contingent liability to the City which has unconditionally guaranteed the payment of principal and interest on the following debentures, which are being held as investments by the City of Winnipeg Sinking Fund Trustees:

1978		
Winnipeg Enterprises Corporation 9 1/4% 11-15 year Serial 1989-1993	$ 995,000	
Winnipeg Enterprises Corporation 9 1/2% 16-20 year Serial 1994-1998	1,539,000	$2,534,000
1981		
Winnipeg Enterprises Corporation 14% Serial 1982-1991		779,000
1987		
Winnipeg Enterprises Corporation 10.4% Serial 1988-1997		2,314,000
		$5,627,000

   b) Under the terms of an agreement with the Province of Manitoba for the financing of the tunnel connecting the Centennial Centre with the Civic Centre complex, there is a liability to the Province in the amount of $24,902 being the outstanding balance of the Province's share of the amortization of the capital cost of the tunnel. This amount will be recovered from night parking revenue earned in the Civic Centre Parkade.
   c) Under the sick pay credit plans for certain employees of the City, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation).
   d) The City is defendant in six significant lawsuits as at December 31, 1988. At this time ultimate liability is not determinable. Normal contingent liabilities exist consisting of routine claims for street and sidewalk accidents, property damage, etc. Any contingent gain or loss is expected to be accounted for as a charge or credit to the period in which settlement occurs.
   e) No provision has been made in the accounts for commitments arising from property expropriations.
   f) The City has unconditionally guaranteed the payment of principal and interest on a capital improvement loan for Kirkfield Westwood Community Centre, maturity in 2005. At December 31, 1988 the outstanding balance was $394,291.
   g) The City has unconditionally guaranteed the payment of principal and interest on a capital improvement loan for Varsity View Community Centre, maturity in 2008. At December 31, 1988 the outstanding balance was $300,000.
   h) By-law 3553/83 as amended by By-law 3669/84 provides for a pension plan for members of Council. Contributions from and pension payments to Councillors are recorded in the General Revenue Fund. No actuarial valuation has been made, therefore the total pension liability is undeterminable at the present.

11. **Contributions Receivable** - Equipment Replacement Reserve Fund
In 1988 the Equipment Replacement Reserve funded the purchase of an underbridge crane repayable by the General Revenue Fund over a five year period beginning in 1987. Since the asset was not purchased until 1988 the 1987 contribution was shown as Deferred Contributions. Contributions Receivable represents future payments due in 1989, 1990 and 1991.

12. **Land Assets** - General Capital and Land Operating Reserve Funds
   a) General Capital Fund -Land purchases which are financed through the Capital Fund are amortized by repayment of the debt.
   b) Land Operating Reserve Fund -Land purchases including land acquired in tax sale and the cost of local improvements on these disposable City properties have been recorded as assets at cost.
   c) Land sales includes revenue from sale of land not included in Property and Improvements inventory.
   d) As at December 31, 1988 the City of Winnipeg owned approximately 13,544 acres of land within its boundaries, excluding land legally designated for transportation purposes, having a total assessed value of $229,573,532 for land and $138,580,200 for buildings.

13. **Realty Tax** - General Revenue Fund
   a) The Realty Tax Roll initial billing for the year produced $485,488,094 in revenue. The same amount was budgeted for this item and was taken into revenue.
   b) Section 158(1) of the City of Winnipeg Act requires that general assessment rolls be made triennially. The last general reassessment of property was done in 1986 and implemented in the Realty Tax Roll for 1987.

14. **Realty Taxes Added** - General Revenue and Future Tax Levies Reserve Funds

Realty Taxes Added and other adjustments for the year mainly as a result of new construction amounted to $12,470,153. This amount was credited to the Future Tax Levies Reserve Fund. An amount of $2,735,000 was transferred to the General Revenue Fund as income.

15. **Licenses in Lieu of Taxes** - General Revenue Fund

a) Realty Tax - mobile homes are not assessed on the tax roll but are taxed by way of license in accordance with standardized rates.
b) Business Tax - businesses that are not assessed on the tax roll are taxed at prevailing rates by way of license.

16. **Amortization of Pension Fund Deficits**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985.

Pension Fund	Liability Dec. 31, 1988		Annual Payment	Term
1. Employee Benefits	$36,300,809	(Pension Improvements)	$4,999,000	to 2000
2. Employee Benefits — Firefighters	5,475,201	(Pension Improvements)	754,000	to 2000
3. Employee Benefits	302,687		173,000	to 1990
4. Employee Benefits — Firefighters	1,384,051		790,000	to 1990
5. Police	6,741,378	(Pension Improvements)	878,700	to 2001
6. Transcona	182,407		25,000	to 2000
7. Council Members (Pre 1972)	31,880		6,281	to 1994

All liabilities listed are charged to the General Revenue Fund except for items 1 and 3 which have been apportioned in part to the City's utilities and other operating funds as follows:

	1. Employee Benefits		**3. Employee Benefits**	
	Liability	Annual Payment	Liability	Annual Payment
General Revenue	$17,892,668	$2,464,507	$149,194	$ 85,289
Hydro Electric System	2,959,759	409,918	24,679	14,186
Steam Heating System	216,562	29,994	1,806	1,038
Transit System	9,844,779	1,354,729	82,089	46,883
Water Works System	1,992,914	274,945	16,618	9,515
Sewage Disposal System	609,854	84,983	5,085	2,941
Equipment and Material Services	922,041	124,975	7,688	4,325
Municipal Hospitals	1,862,232	254,949	15,528	8,823
	$36,300,809	$4,999,000	$302,687	$173,000

17. **Interest on Reserve Funds**

Interest is credited to the following reserve funds: General Reserve Fund, Future Tax Levies Reserve Fund, Equipment Replacement Reserve Fund, Land Operating Reserve Fund, Contributions in Lieu of Land Dedication Reserve Fund, Recreation Programming Reserve Fund, Watermain Renewal Reserve Fund, Zoo Animals Reserve Fund and Zoo Purposes Reserve Fund.

The Workers Compensation Reserve Fund, Parks Reserve Fund and Insurance Reserve Fund are administered by the Sinking Fund Trustees. Interest earned on these reserve funds is from investments of each individual fund.

18. **General Reserve Fund Unallocated**

The City is currently over committing this fund by an amount which approximates the current year's capital budget for Local Improvements. As of December 31st, 1988 this over-commitment amounted to $5,249,999.

19. **Provincial Government Grants — General Revenue Fund**

The Provincial Government provided a grant of $15,890,247 toward the 1988 Transit System deficit and this amount was transferred as part of the Appropriation to Transit System.

20. **General Government Charges — General Revenue Fund**

This revenue item includes the share of the City's general expenditures deemed applicable to the City's utilities:

	1988	1987
Equipment and Material Services	$ 350,571	$ 334,229
Hydro Electric System	909,130	865,959
Steam Heating System	51,358	48,961
Transit System	996,668	945,221
Water Works System	852,942	675,017
Sewage Disposal System	326,142	310,398
	$3,486,811	$3,179,785

21. **Lease Commitments**

The City has entered into a number of lease agreements mainly for the lease of accommodations for civic offices. Future minimum lease payments are as follows:

1989	$ 2,585,436
1990	2,449,295
1991	2,115,801
1992	1,814,879
1993	1,754,081
Subsequent	7,131,428
	$17,850,920

22. **Changes in Accounting Treatment**

a) Trust Cash — Monies held in trust by the Police Department as evidence in court cases were previously shown as part of Cash with a corresponding offset in Deferred Revenue. In 1988 these monies were segregated on the Balance Sheet to more clearly portray the trust nature of these funds. The 1987 figures have been restated for comparative purposes.

b) Development Deposits — Monies taken as deposits under certain development agreements are invested in term deposits. In 1988 the liability for these deposits has been segregated from other deposits to more clearly reflect the relationship between the investment and the deposit. The 1987 figures have been restated for comparative purposes.

c) Severance Sick Leave Reserve — As at December 31, 1987 the reserve was totally expended and was formally dissolved by City Council on July 6, 1988. Disbursements for sick leave cash out payments to civic employees are a direct charge to the current budget.

23. **Accounts Receivable — Senior Governments**

In a departure from past practice, the Government of Canada and Manitoba Hydro have indicated, after the accounts were closed, that $3,640,869 and $394,897 respectively of Grants in Lieu of Taxes set up as accounts receivable will be uncollectable. In addition, the Province of Manitoba has indicated that $194,488 related to the Transit grant will not be paid. Unless otherwise negotiated, the revenue shortfall of $4,230,254 will be charged against the 1989 tax-supported operating budget.

24. **Transfer From Waterworks System and Sewage Disposal System**

Beginning in 1988, the Waterworks System and Sewage Disposal System are required to transfer to the General Revenue Fund an amount equal to 10% of Water Sales Revenue and Sewage Services Revenue respectively.

25. **Payment of Levies to School Authorities**

Effective for the 1988 tax levies the provincial government regulation governing the remittance of school levies collected by the City on behalf of school authorities was changed to provide for a dramatically accelerated payment schedule generally described below:

Under the Old Regulation	Under the New Regulation
City's Payments to School Divisions	
20% of levies on July 31st 20% of levies on September 30th 20% of levies on November 30th	Amount of levies collected on the end of the month following the month in which the taxes were collected by the City.
40% of levies on January 31st of the subsequent year	Balance of levies on January 31st of the subsequent year
City's payments to the Manitoba Public Schools Finance Board	
60% of levy on September 15th	Amount of taxes collected on the end of the month following the month in which the taxes were collected by the City.
40% of levy on March 15th of the subsequent year	Balance of levy on January 31st of the subsequent year.

The City of Winnipeg
Workers Compensation Reserve Fund
Balance Sheet

December 31, 1988

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1988 Par Value		1988	1987
$ 25,000	Provincial guaranteed	$ 23,937	$ 23,937
455,000	City of Winnipeg	447,106	461,106
$ 480,000	Total investment in bonds and debentures	471,043	485,043
	Accrued Interest	6,918	6,918
	Cash	186,409	142,786
		$ 664,370	$ 634,747

Liabilities and Reserve

	1988	1987
FUNDS DUE CITY OF WINNIPEG - 1988 DEFICIT	$ 34,333	$ 34,444
ACCOUNTS PAYABLE	300	300
WORKERS COMPENSATION RESERVE ACCOUNT	629,737	600,003
	$ 664,370	$ 634,747

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg

We have examined the balance sheet of The City of Winnipeg—Workers Compensation Reserve Fund as at December 31, 1988 and the statement of workers compensation reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
April 6, 1989

The City of Winnipeg
Workers Compensation Reserve Account

For the Year Ended December 31, 1988

	1988	1987
BALANCE, BEGINNING OF YEAR	$ 600,003	$ 570,113
ADD		
Interest income	64,681	64,957
	664,684	635,070
DEDUCT		
City of Winnipeg — Deficit from Operations	34,333	34,444
Call Fund Administration Fee - City of Winnipeg	314	323
Audit Fees	300	300
BALANCE, END OF YEAR	$ 629,737	$ 600,003

Note to the Financial Statements

December 31, 1988

VALUATION OF INVESTMENTS

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to reserve account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.

The City of Winnipeg
Parks Reserve Fund
Balance Sheet

December 31, 1988

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1988 Par Value		1988	1987
$ 835,000	Government of Canada & Government ofCanada guaranteed	$ 831,875	$ 831,875
57,000	Provincial & Provincial guaranteed	56,750	60,750
149,000	City of Winnipeg	143,900	163,300
43,000	Other Canadian cities	40,798	40,797
$1,084,000		1,073,323	1,096,722
	Bond Residues and Coupons - Government of Canada	677,451	507,788
	- Provincial	888,604	778,914
		2,639,378	2,383,424
	Accrued Interest	38,227	39,010
	Cash	1,468	2,808
	Call loans—City of Winnipeg	140,400	51,400
		$2,819,473	$2,476,642

Liabilities and Reserves

ACCOUNTS PAYABLE	$ 300	$ 300
PERPETUAL MAINTENANCE RESERVE ACCOUNTS		
Brookside Cemetery	2,808,703	2,465,868
Special Plots	10,470	10,474
	$2,819,473	$2,476,642

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Parks Reserve Fund as at December 31, 1988 and the statements of perpetual maintenance reserve accounts for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
February 17, 1989

The City of Winnipeg
Parks Reserve Fund
Perpetual Maintenance Reserve Accounts

For the Year Ended December 31, 1988

	1988	1987
BROOKSIDE CEMETERY MAINTENANCE		
Balance beginning of year	$2,465,868	$2,156,434
Add		
Capital additions contributed by The City of Winnipeg	48,651	45,409
Interest income	294,105	260,500
Net Gain on Disposal of Securities	600	3,947
	2,809,224	2,466,290
Deduct		
Audit Fees	300	300
Call fund administration fees - City of Winnipeg	221	122
Balance end of year	$2,808,703	$2,465,868
SPECIAL PLOTS MAINTENANCE		
Balance beginning of year	$ 10,474	$ 10,478
Add interest income	363	363
	10,837	10,841
Deduct annual maintenance	367	367
Balance end of year	$ 10,470	$ 10,474

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Note to the Financial Statements

December 31, 1988

SIGNIFICANT ACCOUNTING POLICIES

Fixed income investments

Fixed income investments are carried at the lower of cost and par value. Any premiums paid on the purchase of these investments are written-off to the income account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.

Bond residues and coupons

Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

The City of Winnipeg
Transcona Cemetery Reserve Fund
Balance Sheet
December 31, 1988

Assets

	1988	1987
INVESTMENTS (Note) GOVERNMENT OF CANADA RESIDUES & SENTINELS	$ 54,695	$ 49,706
Cash	838	569
Call Loans—City of Winnipeg	11,500	6,000
	$ 67,033	$ 56,275

Liabilities and Reserve

	1988	1987
ACCOUNTS PAYABLE	$ 300	$ 300
PERPETUAL MAINTENANCE RESERVE ACCOUNT	66,733	55,975
	$ 67,033	$ 56,275

Note: Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

Perpetual Maintenance Reserve Account

	1988	1987
Balance, Beginning of Year	$ 55,975	$45,969
Add:		
Interest Income	5,551	4,820
Capital Contributions — City of Winnipeg	5,523	5,499
	67,049	56,288
Deduct:		
Administration Fees	316	313
Balance, End of Year	$ 66,733	$ 55,975

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Transcona Cemetery Reserve Fund as at December 31, 1988 and the statement of perpetual maintenance reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
February 17, 1989

The City of Winnipeg
St. Vital Cemetery Reserve Fund
Balance Sheet

December 31, 1988

Assets

	1988	1987
INVESTMENTS (Note) GOVERNMENT OF CANADA SENTINELS	$ 83,408	$ 75,430
Cash	707	826
Call Loans—City of Winnipeg	17,500	8,500
	$101,615	$ 84,756

Liabilities and Reserve

	1988	1987
ACCOUNTS PAYABLE	$ 300	$ 300
PERPETUAL MAINTENANCE RESERVE ACCOUNT	101,315	84,456
	$101,615	$ 84,756

Note: Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

Perpetual Maintenance Reserve Account

	1988	1987
Balance, Beginning of Year	$ 84,456	$ 68,698
Add:		
Interest Income	8,782	7,579
Capital Contributions — City of Winnipeg	8,399	8,497
	101,637	84,774
Deduct:		
Administration Fees	322	318
Balance, End of Year	$101,315	$ 84,456

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—St. Vital Cemetery Reserve Fund as at December 31, 1988 and the statement of perpetual maintenance reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
February 17, 1989

The City of Winnipeg
Insurance Reserve Fund
Balance Sheet

December 31, 1988

Assets

INVESTMENT IN BONDS AND DEBENTURES (Note)

1988 Par Value		1988	1987
$1,350,000	Government of Canada	$1,349,063	$1,649,063
—	Provincial and Provincial guaranteed	—	50,000
853,000	City of Winnipeg	841,090	1,381,590
$2,203,000	Total investment in bonds and debentures	2,190,153	3,080,653
	Accrued Interest	84,553	109,627
	Cash	1,316	1,483
	Call Loans—City of Winnipeg	1,311,500	533,500
		$3,587,522	$3,725,268

Liabilities and Reserve

DUE TO CITY OF WINNIPEG	$1,023,664	$ 523,801
INSURANCE RESERVE ACCOUNT	2,563,858	3,201,467
	$3,587,522	$3,725,268

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Insurance Reserve Fund as at December 31, 1988 and the statement of insurance reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Deloitte Haskins & Sells,
Chartered Accountants

Winnipeg, Manitoba
April 6, 1989

The City of Winnipeg
Insurance Reserve Account

For the Year Ended December 31, 1988

	1988	1987
BALANCE, BEGINNING OF YEAR	$3.201.467	$3.326.054
ADD		
Interest income	385.613	399.884
Gains on disposal of investments	2.500	510
	3.589.580	3.726.448
DEDUCT		
Call Fund Administration Fee - City of Winnipeg	2.058	1.180
Audit fees	300	300
Appropriations for current year's claims	1.023.364	523.501
	1.025.722	524.981
BALANCE, END OF YEAR	$2.563.858	$3.201.467

Note to the Financial Statements

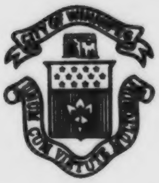
December 31, 1988

VALUATION OF INVESTMENTS

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to reserve account in the year of purchase.

When investments are sold or mature, the difference between carrying value and proceeds is written-off or credited to reserve account at that time.

The Forks (© Henry Kalen Ltd.)



Trust Funds

The City of Winnipeg
Trust Funds Balance Sheet

As at December 31, 1988

Assets

	1988	1987
DUE FROM GENERAL REVENUE FUND	$83,046	$80,904

Liabilities

	1988	1987
LIBRARY TRUST	$ 933	$ 1,156
ST. BONIFACE MUSEUM BOARD TRUST	55,196	55,017
PORTAGE AND MAIN CONCOURSE TRUST	18,374	16,726
ZOO TRUST	8,460	7,491
BENJAMINSON PARK TRUST	83	514
	$83,046	$80,904

Trust Funds Account

For the Year Ended December 31, 1988

	Library Trust		St. Boniface Museum Board Trust		Portage & Main Concourse Trust		Zoo Trust		Benjaminson Park		Donny Lalonde		Trust Funds Total	
	1988	1987	1988	1987	1988	1987	1988	1987	1988	1987	1988	1987	1988	1987
Opening Balance	$1.156	$10.542	$55.017	$52.025	$16.726	$16.457	$7.491	$6.638	$ 514	$ —	—	—	$80,904	$85,662
ADD:														
Contributions	929	7.605	—	—	2.043	1.332	467	458	—	500	2.720	—	6.159	9.895
Interest Earned	66	327	3.469	2.992	1.105	927	502	395	19	14	—	—	5.161	4,655
	2.151	18.474	58.486	55.017	19.874	18.716	8.460	7.491	533	514	2.720	—	92.224	100.212
DEDUCT														
Disbursements	1.218	17.318	3.290	—	1.500	1.990	—	—	450	—	2.720	—	9.178	19.308
Closing Balance	$ 933	$ 1.156	$55.196	$55.017	$18.374	$16.726	$ 8.460	$7.491	$ 83	$ 514	$ —	—	$83.046	$80,904

Trust Funds

LIBRARY TRUST

Is comprised of donations from private citizens and organizations in support of various library services. The City Librarian is the Fund Manager.

ST. BONIFACE MUSEUM BOARD TRUST

Is comprised of Senior Government grant funds to be specifically utilized for the museum's capital, operating and tape transcript programs. The Administrator of the museum is the Fund Manager.

PORTAGE & MAIN CONCOURSE TRUST

Is funded by way of a square footage levy on Concourse shop tenants. The funds are to be utilized for the promotion or benefit of the Concourse. The Director of Civic Properties is the Fund Manager.

ZOO TRUST

Is comprised of donations from private citizens and organizations for any zoo purpose. Funds were originally derived from the sale of promotional decals donated by the Zoological Society of Manitoba. The General Manager of Parks and Recreation is the Fund Manager.

BENJAMINSON PARK TRUST

Is a donation from the Benjaminson family. Funds to be used for enhancement of a park named in honour of their late father.

The Trustees of the Dental Services Plan For The City of Winnipeg Employees Trust Fund Balance Sheet

As at December 31, 1988

Assets

	1988	1987
Cash in Bank	$ 176,983	$ 181,109
Accounts Receivable - The City of Winnipeg	436,207	341,797
Accrued Interest	1,756	1,196
	$ 614,946	$ 524,102

Liabilities

	1988	1987
Accounts Payable	$ 201,944	$ 130,891
Trust Account	413,002	393,211
	$ 614,946	$ 524,102

Trust Fund Account

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 393,211	$ 412,577
ADD Contributions - The City of Winnipeg	4,453,700	4,327,980
Interest Earned	13,802	13,565
	4,860,713	4,754,122
DEDUCT Dental Claims	4,346,951	4,269,321
Administration Fee	100,760	91,590
	4,447,711	4,360,911
Closing Balance	$ 413,002	$ 393,211

Note to the Financial Statements

December 31, 1988

1. **ACCOUNTING POLICIES**
   a. The Fund's Policy is to apply interest earned on the prior year to the current year's contributions made by The City of Winnipeg for dental benefits. The interest for 1985 to 1987 in the amount of $42,755.71 has been recorded in accounts payable.
   b. The Fund follows the accrual method of accounting
2. The Trustees of the Dental Services Plan entered into an agreement effective January 1, 1989, with the United Health Services Corporation Manitoba Blue Cross for a Vision Care Plan. All costs of the Vision Care Plan will be fully reimbursed by The City of Winnipeg.

The Trustees of the Dental Services Plan for The City of Winnipeg Employees

City Council on October 15, 1980 authorized the appointment of the City Treasurer, the Medical Health Officer and the Director of Personnel as trustees of the Dental Services Plan for The City of Winnipeg Employees.

The Plan revenue consists of contributions from The City of Winnipeg for dental claims paid by the Trustees and bank interest earned.

The disbursements from this reserve are limited to eligible dental claims submitted to the service company by the employees and service company administration fees.

Auditor's Report

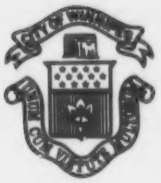
To The Trustees of the Dental Service Plan for
The City of Winnipeg Employees

I have examined the balance sheet of the Trustees of the Dental Services Plan for The City of Winnipeg Employees as at December 31, 1988 and the Trust Fund Account for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Dental Services Plan for The City of Winnipeg Employees as at December 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

L E Marks
Chartered Accountant
and City Auditor

Winnipeg, Manitoba
May 2, 1989



Tax Levies, Rates and Assessments

Tax Levies, Rates and Assessments

In addition to the tax revenues required to be raised for Municipal purposes, Council, under the continuing provisions of the Public Schools Act, must fix and impose taxes sufficient to meet that portion of the cost of education that is to be raised through levies on assessable property within the City of Winnipeg.

The tax rate equalization effects of Provincial legislation enacted for the year 1972, i.e., unification and amendments to the Public Schools Act, were significant. This included the application of uniform mill rates for the municipal levy and the major part of the total schools requirement.

The amounts that were required to be raised in 1988 included the City's share of the Province's Education Support Program and the requirements of the twelve school divisions (located wholly or in part within the City) representing the portion of their costs that were determined to be the entire responsibility of the City.

A measure of tax relief on farm and residential properties was provided at a cost borne by the Provincial Government. Under the Manitoba Property Tax Credit program a resident homeowner qualified for a reduction of $325 on his 1988 property tax bill and, depending on his taxable income, for an additional credit of up to $200 claimable on the homeowner's 1988 income tax return. Other homeowners and residential tenants obtained their entire credit to a maximum of $525 via the income tax return. (The maximum property tax credit for senior citizens was $625.)

In addition, the Manitoba Pensioners' School Tax Assistance Program provided up to $175 in extra assistance to Manitoba pensioner homeowners whose school taxes exceeded $162.50.

With respect to the application of tax revenues, the City has adopted the policy of fully reserving all tax arrears.

The City of Winnipeg
Tax Levies - 1988

	1988	1987
REALTY		
Mill Rates (including Provisions of $231,307,948)*	$ 485,160,619	$457,538,856
Net Additions (Deletions)	9,431,220	3,093,207
Local Improvements, etc.	17,055,239	17,670,341
	511,647,078	478,302,404
BUSINESS		
Initial Billing	32,660,958	32,017,302
Deletions	(1,111,731)	(884,481)
	31,549,227	31,132,821
Total Current Levy	$543,196,305	$509,435,225

Tax Collections and Arrears

	1988	1987
TAXES TO COLLECT		
Current Levy (*1 & 2)	$543,196,305	$509,435,225
Arrears (Including Net Additions)	37,874,623	37,420,768
Penalties	3,157,343	2,775,007
	584,228,271	549,631,000
COLLECTIONS		
Current Levy (*1 & 2)	516,922,321	488,246,904
Arrears	27,346,423	27,950,838
	544,268,744	516,197,742
TOTAL COLLECTIONS AS A PERCENTAGE OF THE CURRENT LEVY	100.2%	101.33%
ARREARS DECEMBER 31st	39,959,527	33,433,258
Less Allowance	39,959,527	33,433,258
	$ NIL	$ NIL

*Includes the following amounts paid direct to the City by the Provincial Government for property tax deductions allowed to certain taxpayers.

1. Property Tax Credit	$ 44,541,120	$ 43,710,563
2. School Tax Assistance	5,135,214	5,074,467
	$49,676,334	$48,785,030

Grants in Lieu of Taxes

	1988	1987
Province of Manitoba	$36,317,059	$34,001,343
Government of Canada	17,095,853	16,905,774
City of Winnipeg Utilities	4,868,749	4,731,801
Housing Authority	862,543	836,874
Civic Centre Car Park	120,060	108,884
Centennial Library Parking Garage	189,914	183,182
Winnipeg Square Parking Garage	342,021	329,897
Winnipeg Enterprises Corporation	8,000	8,000
Other	70,281	67,554
	$59,874,480**	$57,173,309**
**Includes School Levies	$27,660,939	$26,110,026

The City of Winnipeg
COMBINED MUNICIPAL & SCHOOL MILL RATES
1988/1987

SCHOOL DIVISION						Institutional			
	Resid 1	Resid 2	Resid 3	Farm	Statutory	Residential	Other	Golf	Other
No. 1 - Winnipeg									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	27.290	44.963	35.402	9.677	151.281	35.958	53.099	18.103	47.024
Total 1988	58.515	96.440	75.579	21.312	279.696	79.534	96.675	33.414	85.582
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	26.046	43.095	34.139	10.017	147.309	33.296	49.533	16.696	44.776
Total 1987	56.405	93.570	74.068	22.825	274.795	75.268	91.505	31.931	82.261
No. 2 - St. James-Assiniboia									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	22.854	36.490	28.732	8.885	141.356	24.804	41.945	17.372	40.576
Total 1988	54.079	87.967	68.909	20.520	269.771	68.380	85.521	32.683	79.134
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	21.900	34.993	27.690	8.424	135.564	27.017	43.254	16.623	38.570
Total 1987	52.259	85.468	67.619	21.232	263.050	68.989	85.226	31.858	76.055
No. 3 - Assiniboine South									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	24.568	39.237	34.542	10.719	166.969	31.954	49.095	20.729	44.791
Total 1988	55.793	90.714	74.719	22.354	295.384	75.530	92.671	36.040	83.349
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	23.065	36.974	32.592	10.257	152.976	30.236	46.473	19.242	42.160
Total 1987	53.424	87.449	72.521	23.065	280.462	72.208	88.445	34.477	79.645
No. 4 - St. Boniface									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	24.813	41.085	27.175	5.286	147.628	32.269	49.410	15.369	41.737
Total 1988	56.038	92.562	67.352	16.921	276.043	75.845	92.986	30.680	80.295
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	23.490	38.978	27.075	8.296	139.095	29.005	45.242	14.455	39.355
Total 1987	53.849	89.453	67.004	21.104	266.581	70.977	87.214	29.690	76.840
No. 5 - Fort Garry									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	26.183	41.772	35.838	9.827	158.050	23.745	40.886	20.613	46.902
Total 1988	57.408	93.249	76.015	21.462	286.465	67.321	84.462	35.924	85.460
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	22.608	36.933	31.486	11.759	137.122	29.523	45.760	17.857	41.160
Total 1987	52.967	87.408	71.415	24.567	264.608	71.495	87.732	33.092	78.645
No. 6 - St. Vital									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	24.438	43.245	31.278	12.127	165.652	29.186	46.327	18.103	42.351
Total 1988	55.663	94.722	71.455	23.762	294.067	72.762	89.903	33.414	80.909
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	22.957	40.909	29.828	11.590	148.716	27.952	44.189	16.696	39.804
Total 1987	53.316	91.384	69.757	24.398	276.202	69.924	86.161	31.931	77.289

The City of Winnipeg
COMBINED MUNICIPAL & SCHOOL MILL RATES
1988/1987

SCHOOL DIVISION

						Institutional			
	Resid 1	**Resid 2**	**Resid 3**	**Farm**	**Statutory**	**Residential**	**Other**	**Golf**	**Other**
No. 8 - Norwood									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	24.673	41.521	32.503	10.036	151.832	34.593	51.734	18.103	44.560
Total 1988	55.898	92.998	72.680	21.671	280.247	78.169	95.310	33.414	83.118
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	22.741	38.233	31.909	9.935	139.489	31.878	48.115	16.696	41.366
Total 1987	53.100	88.708	71.838	22.743	266.975	73.850	90.087	31.931	78.851
No. 9 - River East									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	24.445	40.710	29.457	10.194	154.613	20.156	37.297	19.711	43.854
Total 1988	55.670	92.187	69.634	21.829	283.028	63.732	80.873	35.022	82.412
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	23.597	39.449	28.389	10.436	146.569	26.819	43.056	18.115	42.077
Total 1987	53.956	89.924	68.318	23.244	274.055	68.791	85.028	33.350	79.562
No. 10 - Seven Oaks									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	26.471	40.207	28.123	10.947	159.030	27.232	44.373	18.103	42.324
Total 1988	57.696	91.684	68.300	22.582	287.445	70.808	87.949	33.414	80.882
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	25.305	38.359	26.165	9.873	151.271	26.283	42.520	16.696	40.293
Total 1987	55.664	88.834	66.094	22.681	278.757	68.255	84.492	31.931	77.778
No. 12 - Transcona-Springfield									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	24.408	40.983	28.184	11.438	154.960	27.909	45.050	14.822	41.953
Total 1988	55.633	92.460	68.361	23.073	283.375	71.485	88.626	30.133	80.511
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	22.789	37.724	26.409	10.186	140.943	25.796	42.033	13.886	39.409
Total 1987	53.148	88.199	66.338	22.994	268.429	67.768	84.005	29.121	76.894
No. 14 - Seine River									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	25.751	32.408	23.177	11.383	158.050	33.681	50.822	18.103	44.413
Total 1988	56.976	83.885	63.354	23.018	286.465	77.257	94.398	33.414	82.971
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	24.531	30.990	27.441	8.963	150.075	32.875	49.112	16.696	41.780
Total 1987	54.890	81.465	67.370	21.771	277.561	74.847	91.084	31.931	79.265
No. 21 - Interlake									
Municipal	31.225	51.477	40.177	11.635	128.415	43.576	43.576	15.311	38.558
Schools	15.580	22.909	19.254	9.705	146.760	17.757	34.898	18.103	32.972
Total 1988	46.805	74.386	59.431	21.340	275.175	61.333	78.474	33.414	71.530
Municipal	30.359	50.475	39.929	12.808	127.486	41.972	41.972	15.235	37.485
Schools	15.424	22.112	18.563	9.287	140.099	17.110	33.347	16.696	31.536
Total 1987	45.783	72.587	58.492	22.095	267.585	59.082	75.319	31.931	69.021

School Mill Rates Detailed on Pages 59 & 60

The City of Winnipeg
Realty and Personal Property Assessments
Used in the Preparation of the 1988 Budget

(INCLUDES PROPERTIES SUBJECT TO GRANTS IN LIEU OF TAXES)

	1988			1987		
FOR SCHOOL PURPOSES	FARM & RES.	OTHER	TOTAL	FARM & RES.	OTHER	TOTAL
SCHOOL DIVISION						
NO. 1 - Winnipeg	$1,473,943,510	$1,263,160,180	$2,737,103,690	$1,429,808,740	$1,268,152,100	$2,697,960,840
2 - St. James-Assiniboia	665,375,370	401,426,510	1,066,801,880	656,010,970	398,230,030	1,054,241,000
3 - Assiniboine South	508,910,020	53,161,060	562,071,080	482,722,940	62,119,870	544,842,810
4 - St. Boniface	305,665,760	124,882,150	430,547,910	295,448,790	128,893,360	424,342,150
5 - Fort Garry	430,897,250	231,861,420	662,758,670	414,250,240	231,717,490	645,967,730
6 - St. Vital	519,099,590	64,129,750	583,229,340	496,504,800	68,042,220	564,547,020
8 - Norwood	83,961,180	50,873,880	134,835,060	82,649,060	51,972,030	134,621,090
9 - River East	647,728,050	66,520,330	714,248,380	624,033,410	73,511,040	697,544,450
10 - Seven Oaks	436,131,310	69,701,840	505,833,150	422,649,280	73,607,300	496,256,580
12 - Transcona-Springfield	244,380,710	118,481,840	362,862,550	231,034,380	121,606,770	352,641,150
14 - Seine River	58,366,270	3,277,410	61,643,680	56,935,460	4,175,630	61,111,090
21 - Interlake	2,466,230	35,100	2,501,330	2,466,230	35,100	2,501,330
	$5,376,925,250	$2,447,511,470	$7,824,436,720	$5,194,514,300	$2,482,062,940	$7,676,577,240
FOR MUNICIPAL PURPOSES			$7,914,453,720			$7,768,300,990

THE CITY OF WINNIPEG
1988 TAXABLE ASSESSMENTS BY PROPERTY CLASSIFICATIONS
As at the Closing of the Realty Assessment Rolls

	LAND	BUILDINGS	TOTAL	%	NUMBER OF HOLDINGS
Residential - Improved	$1,574,085,310	$2,723,545,550	$4,297,630,860	59.10	149,989.5
Residential - Vacant	118,124,370	-	118,124,370	1.60	9,703.0
Apartments	104,986,590	430,226,260	535,212,850	7.40	1,558.0
Agricultural	140,081,120	13,447,400	153,528,520	2.10	1,362.5
Commercial, Industrial - Improved	671,737,420	1,357,390,190	2,029,127,610	27.90	12,357.5
Commercial, Industrial - Vacant	75,975,560	-	75,975,560	1.00	1,193.0
	2,684,990,370	4,524,609,400	7,209,599,770	99.10	176,163.5
Personal Property	—	64,877,590	64,877,590	.90	111.0
	$2,684,990,370	$4,589,486,990	$7,274,477,360	100.00	176,274.5

1988 EXEMPT ASSESSMENTS BY OWNERSHIP CLASSIFICATIONS

	LAND	BUILDINGS	TOTAL	%	NUMBER OF HOLDINGS
City of Winnipeg - General	$258,003,460	$167,589,750	$425,593,210	26.20	3,226.0
- Tax Properties	9,200,120	1,899,550	11,099,670	.70	681.0
	267,203,580	169,489,300	436,692,880	26.90	3,907.0
Provincial Government	93,175,980	228,353,350	321,529,330	19.80	1,108.5
Federal Government	68,967,420	145,608,600	214,576,020	13.20	174.0
Public Schools	75,723,980	197,348,250	273,072,230	16.80	270.5
Universities	21,198,420	117,524,050	138,722,470	8.50	17.0
Private Schools & Colleges	6,216,330	16,907,550	23,123,880	1.40	36.5
Hospitals	6,646,670	96,120,350	102,767,020	6.30	49.5
Churches	25,525,520	53,398,700	78,924,220	4.80	387.5
National Transcontinental Railway	9,272,210	11,885,850	21,158,060	1.30	18.0
Canadian Pacific Railway	1,515,560	1,106,930	2,622,490	0.20	57.5
Miscellaneous	2,580,140	10,123,750	12,703,890	0.79	66.0
	578,025,810	1,047,866,680	1,625,892,490	99.99	6,092.0
Personal Property	--	193,000	193,000	.01	18.0
	$578,025,810	$1,048,059,680	$1,626,085,490	100.00	6,110.0

Note: Properties acquired through tax sale procedure and remaining unsold are assessed at $11,099,670

The City of Winnipeg
Schools Requirement - 1988

TOTAL DEMAND

	1988	1987
PROVINCIAL EDUCATION SUPPORT PROGRAM LEVY		
Farm and Residential	$ 60,575,695	$ 57,537,517
Other Property	67,298,870	63,978,176
TOTAL LEVY	127,874,565	121,515,693
SPECIAL LEVIES (BY SCHOOL DIVISION)		
Winnipeg No. 1	53,832,400	50,223,000
St. James-Assiniboia No. 2	14,254,361	13,362,005
Assiniboine South No. 3	8,210,639	7,310,734
St. Boniface No. 4	6,320,910	5,785,992
Fort Garry No. 5	11,984,491	9,485,660
St. Vital No. 6	8,943,431	7,949,563
Norwood No. 8	2,266,115	2,001,911
River East No. 9	10,978,832	10,345,931
Seven Oaks No. 10	8,194,811	7,585,293
Transcona - Springfield No. 12	5,187,894	4,573,277
Seine River No. 14	906,950	855,598
Interlake No. 21	13,488	12,815
TOTAL SPECIAL LEVIES	131,094,322	119,491,779
TOTAL DEMAND	$258,968,887	$241,007,472

REVENUE SOURCES

Realty Taxes	$231,307,948	$214,897,446
Grants in Lieu of Taxes	27,660,939	26,110,026
	$258,968,887	$241,007,472

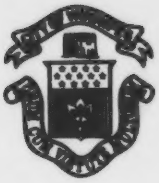
The City of Winnipeg
SCHOOL MILL RATES
1988/1987

SCHOOL DIVISION

	Resid 1	Resid 2	Resid 3	Farm	Statutory	Institutional		Golf	Other
						Residential	Other		
No. 1 - Winnipeg									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	16.764	27.464	21.558	5.237	60.380	23.611	23.611	7.240	20.296
Total 1988	27.290	44.963	35.402	9.677	151.281	35.958	53.099	18.103	47.024
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	15.827	26.106	20.699	5.706	60.306	21.309	21.309	6.299	19.194
Total 1987	26.046	43.095	34.139	10.017	147.309	33.296	49.533	16.696	44.776
No. 2 - St. James-Assiniboia									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	12.328	18.991	14.888	4.445	50.455	12.457	12.457	6.509	13.848
Total 1988	22.854	36.490	28.732	8.885	141.356	24.804	41.945	17.372	40.576
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	11.681	18.004	14.250	4.113	48.561	15.030	15.030	6.226	12.988
Total 1987	21.900	34.993	27.690	8.424	135.564	27.017	43.254	16.623	38.570
No. 3 - Assiniboine South									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	14.042	21.738	20.698	6.279	76.068	19.607	19.607	9.866	18.063
Total 1988	24.568	39.237	34.542	10.719	166.969	31.954	49.095	20.729	44.791
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.846	19.985	19.152	5.946	65.973	18.249	18.249	8.845	16.578
Total 1987	23.065	36.974	32.592	10.257	152.976	30.236	46.473	19.242	42.160
No. 4 - St. Boniface									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	14.287	23.586	13.331	.846	56.727	19.922	19.922	4.506	15.009
Total 1988	24.813	41.085	27.175	5.286	147.628	32.269	49.410	15.369	41.737
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	13.271	21.989	13.635	3.985	52.092	17.018	17.018	4.058	13.773
Total 1987	23.490	38.978	27.075	8.296	139.095	29.005	45.242	14.455	39.355
No. 5 - Fort Garry									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	15.657	24.273	21.994	5.387	67.149	11.398	11.398	9.750	20.174
Total 1988	26.183	41.772	35.838	9.827	158.050	23.745	40.886	20.613	46.902
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.389	19.944	18.046	7.448	50.119	17.536	17.536	7.460	15.578
Total 1987	22.608	36.933	31.486	11.759	137.122	29.523	45.760	17.857	41.160
No. 6 - St. Vital									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	13.912	25.746	17.434	7.687	74.751	16.839	16.839	7.240	15.623
Total 1988	24.438	43.245	31.278	12.127	165.652	29.186	46.327	18.103	42.351
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.738	23.920	16.388	7.279	61.713	15.965	15.965	6.299	14.222
Total 1987	22.957	40.909	29.828	11.590	148.716	27.952	44.189	16.696	39.804

The City of Winnipeg
SCHOOL MILL RATES
1988/1987

SCHOOL DIVISION						Institutional			
	Resid 1	Resid 2	Resid 3	Farm	Statutory	Residential	Other	Golf	Other
No. 8 - Norwood									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	14.147	24.022	18.659	5.596	60.931	22.246	22.246	7.240	17.832
Total 1988	24.673	41.521	32.503	10.036	151.832	34.593	51.734	18.103	44.560
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.522	21.244	18.469	5.624	52.486	19.891	19.891	6.299	15.784
Total 1987	22.741	38.233	31.909	9.935	139.489	31.878	48.115	16.696	41.366
No. 9 - River East									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	13.919	23.211	15.613	5.754	63.712	7.809	7.809	8.848	17.126
Total 1988	24.445	40.710	29.457	10.194	154.613	20.156	37.297	19.711	43.854
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	13.378	22.460	14.949	6.125	59.566	14.832	14.832	7.718	16.495
Total 1987	23.597	39.449	28.389	10.436	146.569	26.819	43.056	18.115	42.077
No. 10 - Seven Oaks									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	15.945	22.708	14.279	6.507	68.129	14.885	14.885	7.240	15.596
Total 1988	26.471	40.207	28.123	10.947	159.030	27.232	44.373	18.103	42.324
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	15.086	21.370	12.725	5.562	64.268	14.296	14.296	6.299	14.711
Total 1987	25.305	38.359	26.165	9.873	151.271	26.283	42.520	16.696	40.293
No. 12 - Transcona-Springfield									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	13.882	23.484	14.340	6.998	64.059	15.562	15.562	3.959	15.225
Total 1988	24.408	40.983	28.184	11.438	154.960	27.909	45.050	14.822	41.953
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	12.570	20.735	12.969	5.875	53.940	13.809	13.809	3.489	13.827
Total 1987	22.789	37.724	26.409	10.186	140.943	25.796	42.033	13.886	39.409
No. 14 - Seine River									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	15.225	14.909	9.333	6.943	67.149	21.334	21.334	7.240	17.685
Total 1988	25.751	32.408	23.177	11.383	158.050	33.681	50.822	18.103	44.413
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	14.312	14.001	14.001	4.652	63.072	20.888	20.888	6.299	16.198
Total 1987	24.531	30.990	27.441	8.963	150.075	32.875	49.112	16.696	41.780
No. 21 - Interlake									
Prov. Support Levy	10.526	17.499	13.844	4.440	90.901	12.347	29.488	10.863	26.728
Special Levy	5.054	5.410	5.410	5.265	55.859	5.410	5.410	7.240	6.244
Total 1988	15.580	22.909	19.254	9.705	146.760	17.757	34.898	18.103	32.972
Prov. Support Levy	10.219	16.989	13.440	4.311	87.003	11.987	28.224	10.397	25.582
Special Levy	5.205	5.123	5.123	4.976	53.096	5.123	5.123	6.299	5.954
Total 1987	15.424	22.112	18.563	9.287	140.099	17.110	33.347	16.696	31.536



Equipment and Material Services Fund

Equipment and Material Services

Historical Data

The Equipment and Material Services Branch was initiated by the former City of Winnipeg, which operated the Engineering Department consisting of Stores, Tools and Supplies, Equipment, Shops and Primary Materials. The Branch was carried on with the establishment of the Operations Department in 1974.

The Stores and Tools Section stores all materials, small tools and supplies required by the six public works districts and the shops section. Other City departments use the stores. The Stores Section is financed through a charge for services levied on goods sold. The Tools and Supplies Section provides service to the six public works districts and Construction Branch only, and financed through an overhead percentage charged on labour.

The Equipment Section, with a fleet of 1,100 units, ranging from ambulances to slip form pavers to air compressors, provides equipment to the Operations, Streets and Transportation, Civic Properties, Winnipeg Ambulance Service, Land Surveys and Real Estate Department and the License Branch of the Finance Department. The Equipment Section also administers the Equipment Replacement Reserve Fund and purchases equipment replacements (except for smaller pieces of equipment) for City departments.

The Equipment Operator Training program is also under the Equipment Section. This program provides for an operator training function for those departments that utilize City-owned equipment.

The Shops Section provides mechanical repair services for the Equipment Section fleet, a number of other departments and a fabrication, paint and carpentry function for the Equipment and Material Services Branch and other departments, such as minor maintenance work on City bridges for the Streets and Transportation Department.

The Primary Materials Section operates three gravel pits, a limestone quarry, asphalt concrete plant, portland cement concrete plant, and a broken pavement recycling operation, and the City weigh scale operations. The quarry at Stony Mountain was started in 1897, the gravel pit at Bird's Hill in 1882 and the asphalt and concrete plants were started in 1899 and 1924. The original plants have been replaced. The existing concrete and asphalt plants were constructed in 1953 and 1959; minor improvements have been made over the years. Products produced by the Primary Materials Section are sold to the Operations Department primarily, although other City departments and outside firms make purchases during the year.

Statistical Information

	1987	1986	1985
Limestone Products Sales (Tonnes)	26,348	40,664	32,586
Sand & Gravel Birds Hill (Tonnes)	13,735	8,549	16,662
Concrete Products Sales (m^3)	15,769	15,982	14,122
Aggregate Sales-Distribution (Tonnes)	91,111	90,512	99,828
Asphalt Mix Sales (Tonnes)	36,108	38,137	42,869
Sand & Gravel Pine Ridge (Tonnes)	162,077	233,651	221,854
Crushed Concrete Pavement Sales (Tonnes)	45,047	30,470	35,543
Weigh Scale Operation (Weigh-Ins)	19,693	18,411	—
Winter Abrasives Sales (Tonnes)	84,585	134,409	130,387

The City of Winnipeg
Equipment and Material Services
Balance Sheet
As at December 31, 1988

Assets

	1988	1987
CURRENT ASSETS		
Cash on Hand	$ 400	$ 250
Due from General Revenue Fund	5,756,578	5,218,463
Accounts Receivable		
Province of Manitoba	8,836	6,460
Government of Canada	4,489	3,268
Other	25,674	37,803
	38,999	47,531
Inventories (Note 2)	4,306,091	4,735,367
	10,102,068	10,001,611
FIXED ASSETS		
Property, Plant and Equipment (Note 1(a))		
Land	149,840	149,840
Buildings and Plants	1,205,133	1,243,838
Vehicular Equipment (Note 1(b))	27,802,920	26,554,174
Other Equipment	2,839,556	2,796,182
Tools and Supplies	2,606,905	2,370,427
	34,604,354	33,114,461
Building Improvements	296,357	296,357
Less: Accumulated Depreciation	241,566	219,171
	54,791	77,186
	34,659,145	33,191,647
	$44,761,213	$43,193,258

Liabilities

	1988	1987
CURRENT LIABILITIES		
Due to General Revenue Fund	$ 2,294,657	$ 3,400,886
Accounts Payable (Note 3)	1,128,628	1,090,122
Accrued Liabilities	—	167,083
Other Liabilities	370,632	322,705
	3,793,917	4,980,796
PROVISION FOR NEW MAINTENANCE MANAGEMENT SYSTEM (Note 3)	174,638	104,638
GRAVEL AND QUARRY PIT PROVISION FOR LAND REHABILITATION (Note 4)	360,342	362,503
	4,328,897	5,447,937

Equity

	1988	1987
CAPITAL INVESTED IN PLANT (Note 1(b))	34,604,354	33,114,461
RETAINED EARNINGS	5,827,962	4,630,860
	40,432,316	37,745,321
	$44,761,213	$43,193,258

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment and Material Services
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	Budget 1988	Actual 1988	Actual 1987
REVENUE			
Equipment Section	$16,763,435	$16,416,919	$15,146,678
Shops Section	10,589,563	10,134,997	9,984,910
Stores Section (Note 6 (a))	1,270,415	1,178,007	1,164,414
Tools and Supplies Section	1,197,043	1,221,312	1,124,439
Primary Materials Section	7,797,080	8,220,231	7,479,279
TOTAL REVENUE	$37,617,536	$37,171,466	$34,899,720
EXPENDITURE (Notes 7,8 & 9)			
Equipment Section (Note 1(B)	$16,775,244	$16,007,013	$15,437,770
Shops Section	10,520,767	10,270,435	10,134,185
Stores Section	1,279,021	1,213,619	1,216,167
Tools and Supplies Section	1,270,181	1,090,803	1,143,109
Primary Materials Section	7,462,130	7,392,494	7,062,124
TOTAL EXPENDITURE	37,307,343	35,974,364	34,993,355
NET PROFIT (LOSS) FOR THE YEAR	$ 310,193	$ 1,197,102	$ (93,635)

Statement of Retained Earnings

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 4,630,860	$ 4,724,495
ADD Net Profit (Loss) for the Year	1,197,102	(93,635)
Closing Balance	$ 5,827,962	$ 4,630,860

Statement of Changes in Financial Position

For the Year Ended December 31, 1988

	1988	1987
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net Profit (Loss) for the Year	$ 1,197,102	$ (93,635)
ADD Expenses not requiring Cash Outlay		
Depreciation	22,395	59,271
Provision for New Maintenance Management System	70,000	35,000
Gravel and Quarry Pit Rehabilitation Provision	14,039	12,161
Property, Plant and Equipment Financed from Operations	850,350	720,444
Working Capital from Operations	2,153,886	733,241
Change in Current Assets other than Cash	437,808	(191,471)
Change in Current Liabilities other than Cash	(80,650)	270,332
	2,511,044	812,102
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Contribution from General Revenue Fund	15,610	40,890
Contribution from Equipment Replacement Reserve	2,575,836	1,568,059
Contribution from Waterworks System	6,735	—
	2,598,181	1,608,949
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(3,448,531)	(2,329,393)
Land Rehabilitation	(16,200)	(7,526)
	(3,464,731)	(2,336,919)
Increase in Cash Assets	1,644,494	84,132
Cash Assets, Beginning of Year	1,817,827	1,733,695
Cash Assets, End of Year	$ 3,462,321	$1,817,827
COMPONENTS OF CASH ASSETS		
Cash on Hand	$ 400	$ 250
Due from General Revenue Fund	5,756,578	5,218,463
Due to General Revenue Fund	(2,294,657)	(3,400,886)
	$ 3,462,321	$ 1,817,827

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Equipment and Material Services
Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

a) Land, Buildings and Plants, and Other Equipment are recorded at estimated values in accordance with available records when actual costs can not be determined and are considered completely depreciated.

b) Vehicular Equipment is recorded at cost. In 1988 the value of a number of vehicles was increased to more correctly reflect the costs incurred in prior years that were not originally recorded as part of the cost of the vehicle (refurbishing, shops charges, etc.). This amounted to a $1,289,093 increase in Fixed Assets and a corresponding increase in Capital Invested in Plant. Also in 1988 the value of unservicable refuse packers has been permanently written down. This amounted to a $1,176,531 decrease in Fixed Assets and a corresponding decrease in Capital Invested in Plant. The 1987 Balance Sheet figures have been restated to reflect these changes. The Equipment Replacement Reserve Fund finances equipment requirements and records all purchases as an expense.

c) Tools and Supplies are recorded at cost.

B. REPLACEMENT PROVISION ON VEHICULAR EQUIPMENT

A replacement charge is paid to the Equipment Replacement Reserve by the Equipment Section based on the estimated cost of replacement. This expenditure is described as depreciation in the accounts of the Equipment Section.

C. VACATION PAY

Employees accrue vacation credits from May to December of each year which together with unused holidays from previous years are not recorded as a liability on the Balance Sheet. The amount of this liability has not been determined.

2. **Inventories**

These are valued at cost based on the following methods:

Shops	$ 34,129	Average Cost
Stores	3,423,188	Average Cost
Primary Material Services	848,774	Retail

3. **Accounts Payable**

Commitments totalling $517,716 (1987 - $229,072) were recorded in accounts for goods and services which had not been received by the year end. Funds committed for the purchase of a computer system to replace the present Maintenance Management System have been segregated from current accounts payable because of the long term nature of this payable. The 1987 Figures have been restated for comparative purposes.

4. **Gravel and Quarry Pit Provision for Land Rehabilitation**

The City-owned quarry and gravel pits contribute $.07 and $.18 per tonne respectively as Provision for Land Rehabilitation. The provision rate was established by Urwick Currie in their review of the Primary Materials Section.

5. **Contingent Liabilities**

Under the sick pay credit plan of the Equipment & Material Services Branch, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

6. **Revenue**

a) Stores sales and cost of sales are not reflected in the statements. Revenue for Stores is the up-charge on sales to cover administration.

b) The majority of revenue generated by the Equipment and Material Services Funds are from City of Winnipeg Departments. Revenue from sources external to the City of Winnipeg amounted to $193,713 (1987 - $154,934).

7. **General Government Charges**

This fund is charged with the estimated share of the City's General Government Expenditures applicable to the Equipment and Material Services Branch. In 1988 this amounted to $350,571 (1987 - $334,229).

8. **Taxes**

The Equipment and Material Services Fund is charged with the full taxes paid to outside municipalities and to the City of Winnipeg General Revenue Fund. Taxes are assessed on the property as if it were privately owned.

9. **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Equipment and Material Services portion is as follows:

Pension Fund	Unfunded Liability As at December 31, 1988		Annual Payment	Term
Employee Benefits	$ 922,041	(Pension Improvements)	$ 124,975	to 2000
Employee Benefits	7,688		4,325	to 1990
	$ 929,729		$ 129,300	

10. **Lease Commitments**

The Equipment and Material Services Branch has entered into various equipment lease agreements. Future lease payments under these agreements amount to:

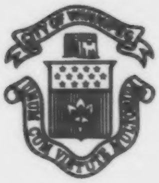
1989	$286,610
1990	151,991
1991	53,713
	$492,314

The Branch has also entered into a 5 year lease with Canadian National Railways for the lease of land, together with the right to take sand, gravel and stone from the land. Future minimum lease payments exclusive of the $.09 charge for each tonne extracted and an additional $1.45 for each tonne in excess of 75,000 tonnes per annum amount to:

1989	$100,000
1990	100,000
1991	100,000
1992	100,000
1993	25,000
	$425,000

11. **Comparative Figures**

Certain of the 1987 figures have been reclassified for purposes of comparison.



City Owned Utilities

Hydro Electric System

Historical Data

A referendum in 1906 authorized the City to undertake the supply of electricity. A lease was secured for the Pointe du Bois power site on the Winnipeg River, which is renewable every twenty years in perpetuity. The lease has been extended to December 31 1991. Power was first delivered from this plant in 1911.

The growing power requirements of the City were met by the construction of the Slave Falls plant which first delivered power in 1931. This power site was initially leased to the City for a term of 50 years, effective January 1932, with provision for the purchase of the plant by the Government at its option at any time after 1962 on a predetermined compensation basis; the lease was further extended for 40 years commencing January 1982.

To meet the rapidly growing power needs, a Steam Turbine Generating Plant was constructed with 11,000 kW capacity in 1924, which was extended to 51,000 kW capacity in 1954.

On November 1, 1955, an agreement was entered into between the City, the Manitoba Hydro Electric Board and the Manitoba Power Commission whereby the City became the sole distributor of electricity inside the City limits and the City relinquished to the Manitoba Power Commission all its distribution properties outside the City limits. By this agreement the Manitoba Hydro Electric Board undertook to provide and to sell to the City (and the City agreed to purchase) the power required in excess of the City's generating capacity until 1962. In 1959 this power sale and purchase agreement was extended to March 31, 1964. The Act governing the amalgamation of the Manitoba Power Commission and the Manitoba Hydro Electric Board which became effective April 1, 1961, protects the City's position by requiring the new Manitoba Hydro Electric Board to observe unchanged all the conditions of this power sale agreement. Early in 1963 an extension of the Power Agreement was negotiated for a further ten years to March 31, 1974, incorporating the same basic principles contained in the existing agreement.

The agreement was extended in 1973, 1976, 1981, 1984 and 1988.

The System has four sources of electricity supply

1. Pointe du Bois—This plant has an installed capacity of 105,000 H.P., and the capital cost to date including four transmission circuits, tramway, bridges, etc., totals $11,081,556. The plant operates under a normal head of forty-six feet. Its equipment consists of sixteen horizontal water turbines. Power is delivered to the City by means of four 66,000 volt transmission circuits carried on two separate sets of towers.
2. Slave Falls—This plant has an installed capacity of 96,000 H.P. in eight vertical water wheel units operating under a normal head of 30 feet. The electrical output is transmitted to Winnipeg over two 132,000 volt transmission circuits on one set of steel towers. The capital cost to date on power plant, transmission lines and tramway is $12,581,971.
3. Steam Turbine Plant—The capacity of this plant is 54,700 shaft horsepower consisting of one 25,000 kW, two 5,000 kW condensing steam turbines and one 1,000 KW non-condensing steam turbine (a 15,000 KW condensing steam turbine was deleted from the generating system in 1988 following its failure in December, 1987). It is operated in conjunction with the Steam Heating System from which steam for the three smallest units is purchased. The capital cost to date on this plant totals $6,937,917.

   The capacity of this plant is available for use of the combined City and the Manitoba Hydro Electric Board System. Manitoba Hydro reimburses the City for its share of the costs of this Station.
4. The Manitoba Hydro Electric Board—The City has available to it the same proportion of the residual hydraulic capacity of the Board as its peak requirements are to the sum of the peak requirements of the City and of Manitoba Hydro. The unit rate for this power to the City and the distributing facilities of the Board is the same, and is sufficient to return to the Board the costs of the generating, transmitting and terminal facilities.

Expenditures include full municipal taxes and a reasonable share of the City's general overhead expenses. In addition, this utility has contributed $143.0 million during the years 1938 to 1988 towards reduction of general taxation. Of the 1988 net profit amounting to $10.5 million, $6.5 million was transferred during 1988 and $3.5 million will be transferred during 1989. Depreciation is charged on a straight-line basis on all assets, except land, in accordance with generally accepted accounting principles.

Following unification of January 1, 1972, the total area of the new City continued to be serviced by two power utilities on the same basis as that prior to unification, i.e., former Winnipeg by the City's utility at one schedule of rates and all other former municipalities by the Manitoba Hydro at another. Equalization of rates, a requirement of The City of Winnipeg Act, was effected on August 1, 1973.

Statistical Information

	1988	1987	1986
Electric Energy Generated (net)	704,327,000 kW.h	774,089,880 kW.h	1,105,907,880 kW.h
Electric Energy Purchased	1,782,716,379 kW.h	1,569,737,758 kW.h	1,246,787,662 kW.h
Average Domestic Consumption	9,288 kW.h	8,601 kW.h	9,015 kW.h
Number of Services	111,827	112,638	113,205

The City of Winnipeg
Hydro Electric System
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
CURRENT ASSETS		
Cash on Hand	$ 397,036	$ 85,378
Accounts Receivable		
Province of Manitoba	211,144	168,890
Government of Canada	6,659	2,510
Sinking Fund Trustees	831,144	607,220
Other	9,862,375	8,970,444
	10,911,322	9,749,064
Less Allowance for Doubtful Accounts	138,986	148,664
	10,772,336	9,600,400
Inventories at Cost	3,519,596	3,564,850
Prepaid Expenses	19,546	59,756
	14,708,514	13,310,384
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 5(a))	30,643,362	30,873,108
FIXED ASSETS		
Property, Plant and Equipment, at cost (Note 1(A))	150,490,849	138,166,017
Work in Progress	4,665,880	7,918,613
	155,156,729	146,084,630
Less Accumulated Depreciation (Note 1(B))	71,084,928	69,194,882
	84,071,801	76,889,748
DEFERRED FOREIGN EXCHANGE (Note 5(b))	320,710	1,500,209
	$129,744,387	$122,573,449

Liabilities

	1988	1987
CURRENT LIABILITIES		
Due to General Revenue Fund	$ 1,390,533	$ 6,248,985
Accounts Payable and Accrued Liabilities (Note 6)	9,105,265	7,116,145
Accrued Debenture Interest	2,530,631	2,184,027
Customer Deposits and Other	965,584	1,023,901
	13,992,013	16,573,058
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	81,325,325	67,964,325
Provision for Foreign Exchange at Maturity (Note 1(C)& 5(b))	2,338,197	4,121,194
	83,663,522	72,085,519
	97,655,535	88,658,577

Equity

	1988	1987
CONTRIBUTIONS IN AID OF CONSTRUCTION	3,380,191	3,238,439
RETAINED EARNINGS (Note 4 & Note 14)	28,708,661	30,676,433
	32,088,852	33,914,872
	$129,744,387	$122,573,449

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	Budget 1988	Actual 1988	Actual 1987
REVENUE			
Sale of Electricity (Note 9 & Note 10)	$92,810,000	$97,003,738	$86,552,516
Penalties	249,400	310,423	250,283
Commissions	1,191,800	1,245,463	1,162,106
Rentals	695,000	709,898	656,165
Interest Earned	300,000	664,673	276,730
Interest Capitalized	450,000	285,452	358,003
Interest on Sinking Fund	1,411,600	1,387,855	1,357,380
Financial Credits	—	75,000	165,000
Other	1,358,600	2,133,282	1,112,814
TOTAL REVENUE	$ 98,466,400	$103,815,784	$ 91,890,997
EXPENDITURE			
Operating Expenditure			
Electricity Purchased (Note 11)	$41,050,000	$52,525,070	$38,895,000
Administration (Note 12)	4,686,706	4,189,895	3,716,974
Generation	4,171,967	3,654,921	3,728,990
Tramway	229,615	203,197	231,159
Steam Turbine Plant	1,558,602	1,339,888	1,143,086
Transmission	737,337	707,973	664,509
Distribution	8,026,601	7,840,362	7,102,680
Commercial Services	5,877,768	5,773,366	5,317,884
Appliance Service, Stores and Garage	248,251	(70,071)	(8,138)
Taxes (Note 13)	1,600,000	1,576,616	1,519,992
Employee Benefits	3,413,100	3,383,322	3,007,394
Amortization of Pension Fund Deficits (Note 15)	424,104	424,104	424,104
Other	466,200	334,802	366,813
TOTAL OPERATING EXPENDITURE	72,490,251	81,883,445	66,110,447
Depreciation, Interest and Financial Expenditure			
Depreciation	2,750,000	2,687,989	2,609,817
Interest on Debentures	7,204,900	7,462,295	6,546,787
Financial Expenditure	1,281,400	508,343	1,047,919
	11,236,300	10,658,627	10,204,523
TOTAL EXPENDITURE	$83,726,551	$92,542,072	$76,314,970
PROFIT BEFORE GRANT	$ 14,739,849	$ 11,273,712	$ 15,576,027
LESS GRANT TO STEAM HEATING SYSTEM	1,117,207	741,484	1,056,009
NET PROFIT FOR THE YEAR	$13,622,642	$10,532,228	$14,520,018

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Statement of Retained Earnings

As at December 31, 1988

	1988	1987
Opening Balance	$30,676,433	$25,614,180
ADD Net Profit for the Year	10,532,228	14,520,018
Transfer of Excess Depreciation (Note 4)	—	3,042,235
	41,208,661	43,176,433
DEDUCT Contribution to General Revenue Fund (Note 14)	12,500,000	12,500,000
Closing Balance	$ 28,708,661	$ 30,676,433

Statement of Changes in Financial Position

For the Year Ended December 31, 1988

	1988	1987
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net Profit for the Year	$10,532,228	$14,520,018
Expenses not requiring Cash Outlay		
Depreciation	2,687,989	2,609,817
Amortization of Foreign Exchange	(114,538)	200,890
Loss on Disposal of Fixed Assets	16,167	50,375
Credits to Operations not involving incoming Funds		
Interest on Sinking Fund	(1,387,855)	(1,357,380)
Amortization of Excess Depreciation	—	(108,650)
Amortization of Customer Contributions	(107,948)	—
Working Capital from Operations	11,626,043	15,915,070
Contributions to General Revenue Fund	(12,500,000)	(12,500,000)
Change in Current Assets other than Cash	(1,086,472)	(1,410,535)
Change in Current Liabilities	2,277,407	2,278,217
	316,978	4,282,752
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Debenture Issue	16,000,000	12,000,000
Debt Retired	(2,639,000)	(37,000)
Foreign Exchange on Maturities	(488,960)	—
Contributions in Aid of Construction	249,700	264,677
	13,121,740	12,227,677
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(9,881,740)	(11,271,826)
Proceeds from Sale of Property, Plant & Equipment	16,399	35,034
Removal Costs of Fixed Assets Disposals	(280,367)	(304,973)
Fixed Assets Returned to Stores	259,499	269,324
Payments from Sinking Fund Trustees		
Matured Debt	2,600,000	—
Foreign Exchange	1,294,618	607,220
Payments to Sinking Fund Trustees		
Actuarial Requirements	(2,277,017)	(1,917,017)
	(8,268,608)	(12,582,238)
Increase in Cash Assets:	5,170,110	3,928,191
Cash Assets, Beginning of Year	(6,163,607)	(10,091,798)
Cash Assets, End of Year	$ (993,497)	$(6,163,607)
COMPONENTS OF CASH ASSETS		
Cash on Hand	$ 397,036	$ 85,378
Due to General Revenue Fund	(1,390,533)	(6,248,985)
	$ (993,497)	$ (6,163,607)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Hydro Electric System
Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

Assets are recorded at cost in accordance with generally accepted accounting principles. Profits or losses on disposal of assets are recorded in the statement of income except for overhead and underground distribution assets on which profits and losses on disposal are netted in accumulated depreciation.

B. DEPRECIATION

Depreciation is recorded on a straight-line basis for all assets, except land, in accordance with generally accepted accounting principles.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rates prevailing at the balance sheet date, are fully provided for in the Long Term Debt section. (See Note 5(b)).

D. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Employees accrue vacation credits from May to December of each year which together with unused holidays from previous years are not recorded as a liability on the Balance Sheet. The amount of this liability has not been determined. Other items of revenue and expenditure are accounted for on an accrual basis.

2. **Funds on Deposit with Sinking Fund Trustees**

a) Included in this asset are deposits for foreign requirements of $1,692,721.

b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $2.3 million (1987 $1.9 million) would have accrued to the credit of the utility.

3. **Debenture Debt**

a) Sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%, except for the following listed By-laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 Years	3%
4025/85	1985	5 Years	3%
4510/87	1987	5 Years	3%
5010/88	1988	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$67,325,325
In United States Dollars	14,000,000
	$81,325,325

Debenture debt issued in United States dollars is recorded at par with the Canadian dollar.

4. **Excess Depreciation**

Commencing in 1966, this account was being amortized over a 50-year period through an annual credit to operations in accordance with the requirements of the Manitoba Public Utilities Board Order 114/68 in the amount of $108,650. On December 31, 1987 approval was received to transfer the balance of $3,042,235 to Retained Earnings.

5. **Provision for Foreign Exchange at Maturity**

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

b) Debenture debt payable in foreign currencies amounted to $14,000,000 as at December 31, 1988. The foreign exchange on this liability at the exchange rates prevailing at balance sheet date totalled $2,695,000. To date $2,017,487 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $356,803. The foreign exchange deficiency of $320,710(an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

6. **Accounts Payable**

Commitments totalling $487,666(1987 - $217,977) were recorded in the accounts for goods and services which had not been received by the year end.

7. **Contingent Liability**

a) Under the sick pay credit plan of the Hydro Electric System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

b) The Hydro Electric System with the City are defendants in lawsuits as at December 31, 1988. At this time the liability is not determinable.

8. **Homeowners Insulation Program**

The City of Winnipeg (through the Hydro Electric System) acts as an agent for the Crown in lending monies to owners of eligible residential property to assist them in paying the cost of insulating or improving the insulation of residential property, and in collecting amounts due in payment of the principal and interest of any loan made under the Province's Homeowners Tax and Insulation Act. As at December 31, 1988, outstanding loans, including interest, amounted to $6,046,607.

9. **Public Utilities Board Control**

The Hydro Electric System has not been subject to control over consumer rates by the Manitoba Public Utilities Board since 1970, however, consumer rates are required to be equal to those charged by Manitoba Hydro within the City of Winnipeg. In 1988 Manitoba Hydro rates were approved by the Provincial Government. Beginning in 1989, Manitoba Hydro rates are to be approved by the Manitoba Public Utilities Board under authority of the Crown Corporations Public Review and Accountability and Consequential Amendments Act.

10. **Consumer Rates**

A consumer rate increase went into effect on April 1, 1988. A further rate increase went into effect April 1, 1989.

11. **Electricity Purchased**

Under an agreement with Manitoba Hydro, the Hydro Electric System agrees to purchase the power required in excess of the System's generating capacity. The agreement expired November 30, 1984. On October 15, 1986 City Council approved the terms and conditions for a new agreement which will be in effect until March 31, 1990. This new agreement was signed on March 8, 1988. Drought conditions, which began in 1987 and continued throughout 1988, substantially increased the cost of electricity purchased. Payments to Manitoba Hydro totalling $53,534,031 were offset by the recovery of $1,008,961 received due to finalization of the actual costs under the agreement for the period from December 1, 1984 to March 31, 1987, for a net expenditure of $52,525,070 in 1988.

12. **General Government Charges**

This expenditure includes the estimated share of the City's General Government expenditures applicable to the Hydro Electric System. In 1988 this amounted to $909,130 (1987 - $865,959).

13. **Taxes**

This expenditure includes full taxes paid to outside municipalities and to The City of Winnipeg General Revenue Fund. Taxes are assessed on property as if it were privately owned. The only exception to this is taxes on personal property (distribution lines on city streets) which are assessed in an amount fixed by The City of Winnipeg Act. This statutory assessed value is $1,200,000.

14. **Contribution to the City's General Budget**

The Hydro Electric System contributed $12,500,000 in 1988 and is committed in 1989 to transfer $3,500,000 from the 1988 net profit and $8,500,000 from the 1989 budgeted profit.

15. **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Hydro Electric System portion is as follows:

Pension Fund	Unfunded Liability As at December 31, 1988		Annual Payment	Term
Employee Benefits	$2,959,759	(Pension Improvements)	$409,918	to 2000
Employee Benefits	24,679		14,186	to 1990
	$2,984,438		$424,104	

Steam Heating System

Historical Data

The Steam Heating System commenced operation in 1924 concurrently with the Steam Turbine Plant installation of the Hydro Electric System. The two plants occupy sections of the same building on Amy Street. Steam for heating purposes is generated at a pressure of 240 lbs. per square inch in four pulverized coal boilers which utilize bituminous coal, and two travelling-grate stroker fired boilers which utilized either bituminous or lignite coal. The maximum short time output capacity of all six boilers is 600,000 lbs. of steam per hour. These boilers supply the steam requirements of the Steam Heating System and the 11,000 kilowatts of original steam turbine capacity in the standby plant.

A heat exchanger of 130,000 lbs. per hour capacity, installed in 1964, allows the Steam Heating System to make use of the more economical high pressure, high temperature boilers installed in 1951 to supply the 40,000 kilowatt extension to the standby plant.

When off-peak electrical energy is available from the hydro plants of Winnipeg Hydro or Manitoba Hydro, and when steam can be used in the Steam Heating System, three electric boilers with a combined output of 81,000 lbs. of steam per hour are also available. In 1988 these electric boilers produced .9% of the total steam requirements.

Two 14 inch diameter mains connect the steam plant with the mains network which supplies steam for heating purposes in the central commercial area of the City at a pressure of 50 to 70 lbs. per square inch.

The capital cost of the Steam Plant and the Steam Distribution System as at December 31, 1988 is $3,655,175. 156 customers are served.

The Steam Heating System also pays a due share of general overhead expenses and municipal taxes. It is noteworthy that since the commencement of operations in 1924, the System has used off-peak power from the Hydro Electric System to the value of over $5.8 million, the total for 1988 being $309.00. With the drought conditions of 1988 there was little to no off peak power available for use in electric boiler steam generation.

Statistical Information

	1988	1987	1986
Steam Sales to Customers	314,246,000 lbs	289,857,000 lbs	338,386,000 lbs
Mean Temperature, Heating Season	28.1°F	33.8°F	27.8°F
	-2.°C	1°C	-2.3°C

The City of Winnipeg
Steam Heating System
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
CURRENT ASSETS		
Cash on Hand	$ 100	$ 100
Accounts Receivable	692,180	686,897
Less Allowance for Doubtful Accounts	45,573	14,668
	646,607	672,229
Inventories at Cost	163,243	251,778
Prepaid Expenses	68	73
	810,018	924,180
FIXED ASSETS		
Property, Plant and Equipment at Cost	3,655,175	3,619,882
Work in Progress	—	40,846
	3,655,175	3,660,728
Less Accumulated Depreciation (Note 1(A))	3,514,695	3,408,098
	140,480	252,630
	$ 950,498	$1,176,810

Liabilities

	1988	1987
CURRENT LIABILITIES		
Due to General Revenue Fund	$ 374,256	$ 420,010
Accounts Payable and Accrued Liabilities (Note 4)	504,066	668,206
Accrued Debenture Interest	—	273
Customer Deposits	30,380	27,525
	908,702	1,116,014
LONG TERM LIABILITIES		
Debenture Debt (Note 2)	—	19,000
	908,702	1,135,014

Equity

	1988	1987
RETAINED EARNINGS	$ 41,796	41,796
	$ 950,498	$1,176,810

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	Budget 1988	Actual 1988	Actual 1987
REVENUE			
Steam Sales-Commercial (Note 7)	$3,801,200	$3,641,302	$3,105,280
Hydro Standby Service (Note 1(B))	60,000	60,000	60,000
Equipment Rentals	5,500	5,079	5,528
Miscellaneous Earnings	5,900	23,748	11,359
Provincial Support Grant	36,000	36,821	32,574
TOTAL REVENUE	$3,908,600	$3,766,950	$3,214,741
EXPENDITURE			
Operating Expenditure			
Production	$3,850,267	$3,361,865	$3,228,587
Distribution	514,987	410,870	466,398
Commercial	17,390	13,004	18,614
Administration and General (Note 8)	119,031	117,550	110,494
Taxes (Note 9)	199,800	194,938	165,674
Employee Benefits	221,300	222,557	177,763
Amortization of Pension Fund Deficits (Note 10)	31,032	31,032	31,032
	4,953,807	4,351,816	4,198,562
Depreciation, Interest and Financial Expenditure			
Depreciation	19,000	113,000	18,000
Interest on Debentures	800	819	1,869
Financial Expenditure	52,200	42,799	52,319
	72,000	156,618	72,188
TOTAL EXPENDITURE	$5,025,807	$4,508,434	$4,270,750
LOSS BEFORE GRANT	$1,117,207	$ 741,484	$1,056,009
GRANT FROM HYDRO ELECTRIC SYSTEM	1,117,207	741,484	1,056,009
NET PROFIT (LOSS) FOR THE YEAR	$ —	$ —	$ —

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Statement of Retained Earnings

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 41,796	$ 41,796
Closing Balance	$ 41,796	$ 41,796

Statement of Changes in Financial Position

For the Year Ended December 31, 1988

	1988	1987
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net Loss for the Year	$(741,484)	$(1,056,009)
Grant from Winnipeg Hydro	741,484	1,056,009
Expenses not requiring Cash Outlay		
Depreciation	19,000	18,000
Unfunded Assets Written Off	94,000	—
Working Capital from Operations	113,000	18,000
Change in Current Assets other than Cash	114,162	29,262
Change in Current Liabilities	(161,558)	83,937
	65,604	131,199
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Debt Retired	(19,000)	(18,000)
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(850)	(42,431)
Increase in Cash Assets	45,754	70,768
Cash Assets, Beginning of Year	(419,910)	(490,678)
Cash Assets, End of Year	$ (374,156)	$ (419,910)
COMPONENTS OF CASH ASSETS		
Cash on Hand	$ 100	$ 100
Due to General Revenue Fund	(374,256)	(420,010)
	$ (374,156)	$ (419,910)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Steam Heating System
Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**

A. DEPRECIATION

Depreciation is charged on the basis of serial debt amortization. The effect of this policy is as follows:

a) All Capital assets including the cost of land, are subject to depreciation after they are funded.

b) Assets are not depreciated until they are funded which may materially affect the depreciation expenditure and the resulting profit or loss, if funding is delayed more than one year.

c) Capital assets in the amount of $140,480 remain unfunded and are being depreciated over a three year period ($94,000 in 1988).

B. HYDRO STANDBY SERVICE

The revenue item recorded at $60,000 is the reimbursement to the Steam Heating System for the cost of maintenance of equipment used jointly by the steam heating plant and the steam turbine plant of the Hydro Electric System.

C. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Employees accrue vacation credits from May to December of each year which together with unused holidays from previous years are not recorded as a liability on the Balance Sheet. The amount of this liability has not been determined. Other items of revenues and expenditures are accounted for on the accrual basis.

2. **Debenture Debt**

All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

3. **Estimated Useful Life of the Steam Heating System**

City Council on September 9, 1987 adopted a recommendation to cease the commercial operation of the Steam Heating System as of June 15, 1990. Studies are underway on the future of the Steam Turbine Plant and methods of heating City owned buildings. The environmental license has been extended until September 1, 1990.

4. **Accounts Payable**

Commitments totalling $ 172 (1987-$20,093) were recorded in the accounts for goods and services which had not been received by the year end.

5. **Lease Commitments**

An Agreement with the Canadian National Railway Company was entered into in 1988 for the lease of a railway siding. Payment for rental and taxes are estimated at $43,100 for 1989 and a similar amount for 1990 dependent on the closure of the steam plant.

6. **Contingent Liability**

Under the sick pay credit plan of the Steam Heating System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7. **Consumer Rates**

Consumer rates were not changed in 1988. A 5% increase was approved by Council effective March 1, 1989.

8. **General Government Charges**

This expenditure includes the estimated share of the City's general government expenditure applicable to the Steam Heating System. In 1988 this amounted to $51,358 (1987 - $48,961).

9. **Taxes**

Taxes are calculated on the Steam Heating System assets as if they were privately owned. In addition to this, a tax of 3% of gross sales is charged to the Utility for the use of City streets for steam mains.

10. **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Steam Heating System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1988		Annual Payment	Term
Employee Benefits	$216,562	(Pension Improvements)	$29,994	to 2000
Employee Benefits	1,806		1,038	to 1990
	$218,368		$31,032	

Transit System

Historical Data

The first step toward public transportation in Winnipeg was taken on May 27, 1882 with the incorporation of the Winnipeg Street Railway Company. With a franchise from the City of Winnipeg, the first regular service started on October 21, 1882, using horse cars during the summer and sleighs during the winter.

On January 28, 1891 with the consent of City Council, the Winnipeg Street Railway Company operated the first electric street car on River Avenue, the line being extended to River Park in July.

After a franchise battle, the City Council on February 1, 1892 passed By-law No. 543 giving a new company, Winnipeg Electric Street Railway Company, an exclusive franchise to operate electric street cars in Winnipeg. For two years there were two sets of tracks on Main Street, both horse and electric cars competing. Fares dropped to a low of 2 cents. Shortly after, the Electric Company bought out the Winnipeg Street Railway and basic fares became 5 cents.

For the next 14 years service was extended farther and farther, reaching Selkirk, Stonewall, Headingly and St. Norbert.

In 1904 the Winnipeg Electric Street Railway Company and the Winnipeg General Power Company merged and became Winnipeg Electric Railway Company. In 1906 the Company first operated the Pinawa Plant on the Winnipeg River - the first hydro-electric power plant in Manitoba.

Sunday service was initiated in 1906.

From 1914 to 1918 street cars had competition from "Jitneys" — autos which charged 5 cents per person and operated mostly in the rush hours on heavy traffic routes - until the City passed a by-law setting a 25 cent minimum fare per person.

The first motor buses were operated on Westminster Avenue in 1918.

One-man cars were first used in regular service in 1923, and replaced two-man cars on many routes.

Trolley buses were first operated in 1938.

The peak ridership was reached in 1946 when 105,000,000 passengers rode the street cars and buses.

On October 28, 1952 the Manitoba Hydro-Electric Board, as agent for the Province of Manitoba, offered to purchase the outstanding shares of the Company (now Winnipeg Electric Company).

On January 16, 1953 the Greater Winnipeg Transit Company was incorporated and took over the transit assets and liabilities.

On April 18th, 1953 at the request of the City of Winnipeg and other area municipalities, the Greater Winnipeg Transit Commission was incorporated and authorized to purchase the shares and debentures of the Transit Company.

On May 29, 1953 the Commission purchased the shares and debentures of the Transit Company and, on November 1, 1953, the assets and liabilities of the Transit Company were vested in The Greater Winnipeg Transit Commission.

On September 19, 1955 the street cars made their last run, giving way to the modern diesel, gas and trolley buses.

With the passage of The Metropolitan Winnipeg Act in 1960, effective January 1, 1961, the Metropolitan Corporation of Greater Winnipeg was given the exclusive right to operate a local passenger transportation service within Metropolitan Winnipeg.

On October 30, 1970 the trolley buses were discontinued thus making the Public Transportation fleet a total diesel operation.

On January 1, 1972 under the provisions of Section 662(1) of The City of Winnipeg Act, the Metropolitan Corporation of Greater Winnipeg, which had been responsible for providing public transportation in the Metropolitan area, from January 1, 1961, to December 31, 1971, was dissolved and all the duties, rights, and liabilities of the Transit System became the responsibility of the new City of Winnipeg.

Statistical Information

	1988	1987	1986
Basic Adult Fare	$1.00 Exact Fare	.90 Exact Fare	.85 Exact Fare
Revenue Passengers Carried	55,310,097	60,524,991	61,365,888
Bus Hours Operated	1,383,316	1,382,398	1,374,680
Bus KM Operated	26,156,466	26,066,485	25,802,634
Revenue Vehicles Operated	548	548	548

The City of Winnipeg
Transit System
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
CURRENT ASSETS		
Cash on Hand	$ 242,519	$ 166,461
Accounts Receivable		
Province of Manitoba	404,003	436,651
Government of Canada	123	16
Sinking Fund Trustees	299,293	414,676
Other	169,939	73,096
	873,358	924,439
Inventories of Maintenance Parts, at cost or realizable value	2,265,394	1,951,190
Prepaid Expenses	5,037	5,037
	3,386,308	3,047,127
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4(a))	4,722,099	9,597,715
FIXED ASSETS		
Property, Plant and Equipment, at cost (Note 1(A))	38,158,218	37,513,897
Work in Progress	15,611,538	10,476,077
	53,769,756	47,989,974
Less Accumulated Depreciation (Note 1(B))	15,410,498	15,239,419
Contributions in Aid of Construction	15,200,342	14,770,351
	23,158,916	17,980,204
DEFERRED FOREIGN EXCHANGE (Note 4(b))	—	125,115
	$31,267,323	$30,750,161

Liabilities

	1988	1987
CURRENT LIABILITIES		
Due to General Revenue Fund	$ 3,299,002	$ 4,573,870
Accounts Payable and Accrued Liabilities (Note 5)	1,629,013	1,555,503
Accrued Debenture Interest	756,693	616,727
Deferred Revenue	38,420	27,765
	5,723,128	6,773,865
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	24,728,462	22,228,462
Provision for Foreign Exchange at Maturity (Note 1(C) & 4(b))	815,733	1,747,834
	25,544,195	23,976,296
	$31,267,323	$30,750,161

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Transit System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	Budget 1988	Actual 1988	Actual 1987
REVENUE			
Passenger	$35,424,900	$34,181,363	$31,813,885
Charter	183,000	264,031	176,868
Non-Transportation	1,099,645	1,186,570	1,202,691
Interest Capitalized	250,000	194,375	191,246
Interest on Sinking Fund	517,788	403,959	394,625
Contributions from Sinking Fund	—	53,414	—
Financial Credits	—	37,500	—
Provincial Government Grants (Note 10)	17,811,325	17,322,756	16,855,709
Appropriation from General Levy	19,837,991	17,849,113	18,795,734
TOTAL REVENUE	$75,124,649	$71,493,081	$69,430,758
EXPENDITURE			
Administration and General	$ 4,534,409	$ 5,004,595	$ 4,102,970
Schedules	343,364	331,809	329,207
Maintenance and Equipment	20,572,116	18,465,438	18,273,766
Transportation	31,359,113	30,586,162	29,864,896
Publicity and Information	818,707	887,773	764,298
Treasury	1,251,036	1,152,602	1,218,843
Taxes	920,000	910,872	877,138
Employee Benefits	8,039,984	7,220,116	7,360,966
Amortization of Pension Fund Deficit (Note 11)	1,401,612	1,401,612	1,401,612
Claims	46,000	36,899	51,052
General Government Charges (Note 9)	996,668	996,668	945,221
	70,283,009	66,994,546	65,189,969
Depreciation, Interest and Financial Expenditure			
Depreciation	1,043,970	1,043,964	908,977
Interest on Debentures	2,320,300	2,388,391	2,001,621
Financial Expenditure	654,870	271,791	413,898
	4,019,140	3,704,146	3,324,496
Purchase and Refurbishing of Rolling Stock	822,500	794,389	916,293
TOTAL EXPENDITURE	$75,124,649	$71,493,081	$69,430,758

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Transit System
Statement of Changes in Financial Position

For the Year Ended December 31, 1988

	1988	1987
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Expenses not requiring Cash Outlay		
Appropriation for Purchase and Refurbishment of Rolling Stock	$ 794,389	$ 916,293
Depreciation	1,043,964	909,199
Amortization of Foreign Exchange	—	113,697
Credits to Operations not Involving Incoming Funds		
Interest on Sinking Fund	(403,959)	(394,625)
Gain on Disposal of Fixed Assets	(5,454)	(3,637)
Working Capital from Operations	1,428,940	1,540,927
Change in Current Assets other than Cash	(263,123)	(215,150)
Change in Current Liabilities	224,131	397,842
	1,389,948	1,723,619
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Debenture Issue	7,000,000	3,500,000
Debt Retired	(4,500,000)	—
Foreign Exchange on Maturities	(860,400)	—
	1,639,600	3,500,000
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(6,652,667)	(6,482,656)
Proceeds from Sale of Property, Plant & Equipment	5,454	3,637
Contributions from Province of Manitoba	429,991	5,423,840
Acquisition and Refurbishment of Rolling Stock	(794,389)	(916,293)
Payments from Sinking Fund Trustees		
Matured Debt	4,500,000	—
Foreign Exchange	1,557,065	414,676
Payments to Sinking Fund Trustees		
Actuarial Requirements	(724,076)	(619,076)
	(1,678,622)	(2,175,872)
Increase in Cash Assets	1,350,926	3,047,747
Cash Assets, Beginning of Year	(4,407,409)	(7,455,156)
Cash Assets, End of Year	$(3,056,483)	$(4,407,409)
COMPONENTS OF CASH ASSETS		
Cash on Hand	$ 242,519	$ 166,461
Due to General Revenue Fund	(3,299,002)	(4,573,870)
	$(3,056,483)	$(4,407,409)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**

A. PROPERTY, PLANT AND EQUIPMENT

Purchases of buses for the years 1975 to 1983 were made out of current funds and were not recorded as capital assets.

B. DEPRECIATION

Depreciation is recorded in an amount equal to the total of serial debt repayments, Sinking Fund levies and Sinking Fund interest. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.
b) Assets are not depreciated until they have been funded, which may materially affect depreciation expense and the resulting deficit if funding is unduly delayed.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D. ACCRUAL BASIS OF ACCOUNTING

Expenditures for Transit bus fleet insurance are not being accrued. Employees accrue vacation credits from May to December of each year which together with unused holidays from previous years are not recorded as a liability on the Balance Sheet. The amount of this liability has not been determined. Other items of Revenue and Expenditure are accounted for on an accrual basis.

2. **Funds on Deposit with Sinking Fund Trustees**
Included in this asset are deposits for foreign exchange requirements of $364,938.

3. **Debenture Debt**
a) Sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%, except for the following listed By-Laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
4025/85	1985	5 Years	3%
4246/86	1986	5 Years	3%
4347/86	1986	10 Years	3%
4510/87	1987	5 Years	3%
5010/88	1988	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$22,728,462
In United States Dollars	2,000,000
	$24,728,462

Debenture debt issued in United States dollars is recorded at par with the Canadian dollar.

4. **Provision for Foreign Exchange at Maturity**
a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.

b) Debenture debt payable in foreign currencies amounted to $2,000,000 as at December 31, 1988. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $385,000. To date $815,733 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holdings of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $77,000.

5. **Accounts Payable**
Commitments totalling $255,549 (1987 - $105,973) were recorded in the accounts for goods and services which had not been received by year end.

6. **Lease Commitments**
The Transit System has entered into various Building and Equipment lease agreements. Future minimum lease payments under these agreements are:

1989	$1,296,290
1990	$1,414,015
1991	$1,532,990
	$4,243,295

7. **Contingent Liability**
Under the sick pay credit plan for certain employees of the Transit System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

8. **Fare Increase**
Basic fares were increased effective March 1, 1988 as authorized by Council.

9. **General Government Charges**
This expenditure represents the estimated share of the City's General expenditures applicable to the Transit System. In 1988 this amounted to $996,668 (1987 - $945,221).

10. **Provincial Government Grants**
The Provincial Government provided grants of $15,890,247 toward the 1988 Transit System operating deficit, $396,556 under the Urban Transit Capital Grants Program, $935,953 as a Local Government General Support Grant and $100,000 as a Handi-Transit Expansion Grant.

11. **Amortization of Pension Fund Deficit**
City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Transit portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1988		Annual Payment	Term
Employee Benefits	$ 9,844,779	(Pension Improvements)	$ 1,354,729	to 2000
Employee Benefits	82,089		46,883	to 1990
	$ 9,926,868		$1,401,612	

Water Works System

Historical Data

The water supply system for the City of Winnipeg dates back to 1882, when the plant of the Winnipeg Waterworks Company was put into operation, the supply being obtained from the Assiniboine River just east of the Maryland Bridge. In 1899 the City purchased the plant from the company for $237,650. The distribution system consisted at the time of about 36 kilometers of cast iron mains. After the purchase of the plant, the City proceeded with changing the source of supply from the Assiniboine River to artesian wells chiefly located northwest of the City.

With the growth in population, however, it became evident that a more secure source of supply was necessary. This subject occupied the attention of the City Council almost continuously from 1906 to 1913, when it was ultimately decided to obtain a supply from Shoal Lake located 155 kilometers east of the municipalities. The construction of the aqueduct commenced in 1913, and on March 29, 1919 Shoal Lake water reached the City. The $17.5 million cost was funded by debentures issued by the Greater Winnipeg Water District. From 1919 to 1961 the Greater Winnipeg Water District delivered water in bulk to the City of Winnipeg's reservoirs. The adjacent municipalities which operated their own distribution facilities were supplied with water by the City. Capital costs of the District were met by a mill rate levy on land only within the District, while the operating costs were met by a water consumption charge. The City also charged on the volume of water pumped.

The McPhillips Street reservoir system was constructed in 1913 and consisted of a covered reservoir with a capacity of 82 million litres. This facility was subsequently expanded in 1932 with construction of a 182 million litre capacity open reservoir.

To meet the increasing demand for water a booster pumping station was built on Tache Avenue in 1950. This facility increased delivery to the McPhillips Reservoir from the Branch I aqueduct from 91 million litres per day by gravity to 173 million litres per day by pumping. In 1950 a study of the system was also undertaken which indicated that, by 1960, the City would require additional pumping and storage capacity and a considerable extension of the feedermains in the distribution system. As a result of this study, the City adopted a ten-year development program which was completed in 1960. The program included 26 kilometers of feedermains at a cost of $2,700,000, the new reservoir at Wilkes Avenue and Waverley Street costing $1,600,000 and the new W.D. Hurst fully automatic pumping station costing $1,700,000. The Wilkes Avenue reservoir was an open reservoir consisting of two cells. One cell has since been split into two and roofed. The combined capacity of the three reservoirs is 318 million litres. Space is available on-site for future expansion to 728 million litres capacity. The W.D. Hurst pumping station has an installed pumping capacity of 364 million litres per day and designed expansion to 455 million litres per day.

The City of Winnipeg received delivery of water from the aqueduct at the James Avenue Pumping Station and at its reservoirs located at McPhillips Street and Logan Avenue, and at Wilkes Avenue and Waverley Street. Water was pumped by pumping stations at these reservoirs to the City proper and to some adjoining urban municipalities. The pumping stations operate at a discharge pressure 517 KPa.

The City of St. Boniface had its own water pumping station and well collection system and was also connected directly to the aqueduct via the St. Boniface Pumping Station. Transcona also had a direct connection to the aqueduct at Plessis Road from which water was drawn for Transcona and the C.N.R. Shops. St. Vital had purchased their water supply from St. Boniface until 1954 when a pumping station and feedermain was built to convey water to the St. Vital area.

The functions of the Greater Winnipeg Water District were assumed by the Metropolitan Corporation of Greater Winnipeg on January 1, 1961, and on January 1, 1962, the Corporation assumed the responsibility of providing water to the area municipalities. The James Avenue Pumping station remained under the ownership of the City of Winnipeg as its main function was to provide water at high pressure for fire protection in the central high property value district. In 1960 an analysis of the distribution system indicated the necessity of expanding the feedermain system and providing additional pumping and storage capacity. A ten-year program was adopted by the Council of the Metropolitan Corporation. During this program an additional 73 kilometers of feedermains were constructed at a cost of $8.5 million and a new reservoir and fully automatic pumping station was constructed at Marion Street and Lagimodiere Boulevard at a cost of $4,500,000. This new MacLean Pumping Station has an installed pumping capacity of 320 million litres per day. The covered reservoir has a total capacity of 205 million litres. The completion of the Geo C. MacLean Pumping Station and Reservoir in 1964 rendered the St. Boniface and St. Vital Pumping Stations obsolete.

In 1968 the old McPhillips Street pumping station was replaced with a new automatic station with an installed pumping capacity of 365 million litres per day. The cost of this new station was $2.4 million dollars. A new McPhillips Street Reservoir was completed in 1976 at a cost of $11,000,000. This major project was started in 1974 and was placed in service on November 23, 1976. The roofs of the new reservoirs are covered with a 600 mm layer of earthfill, grassed and landscaped, providing some 7 hectares for recreational activities.

In 1971 the first 1,800 million litre capacity cell of a planned four cell reservoir with ultimate capacity of 7,000 million litres was constructed at Deacon, on the eastern edge of the City. The reservoir is filled during the winter and discharged in the summer and is designed to defer the construction of a second aqueduct. The second cell of the deacon complex with a capacity of 2,200 million litres was completed in June of 1978. Construction of the Deacon Booster Pumping Station followed and it was placed in service in the summer of 1980. This station will pump water from the Deacon Reservoir to the Wilkes and MacLean distribution reservoirs, and will ensure a sufficient water supply at these stations to meet peak daily demands. Reconstruction of the north cell of the Wilkes Reservoir was started in May 1980 and was completed and placed in service on December 20, 1980. This replaces the former open cell with a closed one that has a capacity of 140 million litres. The final 6.4 kilometres of the Fort Garry Feedermain was completed in 1982 at a cost of $3,000,000. The feedermain provides increased water pressure and fire protection to southern Winnipeg.

On October 10, 1986, the James Avenue High Pressure Pumping Station was retired, and the former high pressure watermain system was integrated with the domestic system through previously constructed interconnections. The integration of the two distribution systems involved joining the systems with common pipes, such that the combined system, with some upgrading of fire pumper trucks, could provide the same level of fire protection as the high pressure system had previously provided to the central high property value district. The budgeted cost for the station retirement and system integration is $755,000.

Construction of the West End Feedermain from McPhillips Pumping Station to existing feedermains at Moray Street and Ness Avenue was completed in September of 1988 at a cost of approximately $7.5 million. The feedermain will increase water pressures in the St. James-Assiniboia/Charleswood area during peak demand conditions.

City Council approved a new water rate structure incorporating a fixed quarterly charge, based on meter size, effective April 1, 1988. The new water rate structure provides for the transfer of 10% of water sales revenue to the mill rate supported budget, with a net effect of lessening the impact of any future increase in realty tax mill rate.

The utility bears a share of general overhead expenses of the City as well as municipal taxes.

Statistical Information

	1988	1987
Annual Water Pumped (Million Litres)	109,930.0	100,708.7
Water Pumped in Litres Per Capita Per Day	495.2	459.5
Average Daily Water Pumped (million litres per day)	300.4	275.9
Maximum Water Pumping Rate (million litres per day)	954.0	711.0
Kilometers of Aqueduct	174.5	174.6
Kilometers of Feedermains	116.8	107.0
Kilometers of Watermains	2,297.9	2,275.1
Number of Hydrants	16,890.0	16,372.0
Number of Billed Services	168,919.0	166,866.0
Block 1 Rate (Per 100 cu. ft.)	$1.08 plus fixed quarterly charge	$1.30

The City of Winnipeg Water Works System Balance Sheet

As at December 31, 1988

Assets

	1988	1987
CURRENT ASSETS		
Cash on Hand	$ 13,118	$ 196,470
Due from General Revenue Fund	14,320,670	12,505,082
Accounts Receivable		
Province of Manitoba	1,889	4,164
Government of Canada	710	46
Sinking Fund Trustees	317,279	492,917
Other	4,420,347	3,873,804
	4,740,225	4,370,931
Less Allowance for Doubtful Accounts	137,157	127,541
	4,603,068	4,243,390
Inventories at cost	257,222	271,073
Deferred charges	—	2,160
	19,194,078	17,218,175
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4 (a))	17,677,751	21,036,093
FIXED ASSETS		
Property, Plant and Equipment (Note 1(A))	168,964,228	159,831,248
Work in Progress (Note 1(A))	16,490,720	7,507,955
	185,454,948	167,339,203
LESS Accumulated Depreciation (Note 1(B))	83,366,178	80,283,516
Contributions in Aid of Construction	62,810,380	54,629,749
	39,278,390	32,425,938
DEFERRED FOREIGN EXCHANGE (Note 4(b))	669,794	1,593,668
	$76,820,013	$72,273,874

Liabilities

	1988	1987
CURRENT LIABILITIES		
Accounts Payable (Note 5)	$ 620,177	$ 517,772
Accrued Liabilities	88,784	383,111
Accrued Debenture Interest	1,367,881	1,282,728
Customer Deposits and Other	4,735	4,423
	2,081,577	2,188,034
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	53,550,456	48,923,996
Provision for Foreign Exchange at Maturity (Note 1(C) & 4(b))	1,022,502	2,217,197
	54,572,958	51,141,193
Due to General Reserve Fund	2,149,193	2,372,707
	56,722,151	53,513,900
	58,803,728	55,701,934

Equity

	1988	1987
RETAINED EARNINGS	18,016,285	16,571,940
	$76,820,013	$72,273,874

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Water Works System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	Budget 1988	Actual 1988	Actual 1987
REVENUE			
Water Sales	$31,430,000	$34,815,714	$34,140,744
Provincial Support Grant	334,000	341,621	279,935
Permits	36,700	38,991	41,336
Fire Hydrant Rentals	2,235,270	2,236,260	990
Other Rentals	29,100	30,049	28,824
Railway Services	1,470,000	1,627,905	1,925,430
Interest Earned	474,500	1,006,622	985,935
Interest Capitalized	200,000	454,181	46,722
Interest on Sinking Fund	885,678	875,220	973,267
Contributions from Sinking Fund	—	16,680	589,854
Financial Credits	27,600	100,000	6,875
Miscellaneous	20,000	33,502	25,960
TOTAL REVENUE	$37,142,848	$41,576,745	$39,045,872
EXPENDITURE			
Water Supply			
General Administration	$ 563,150	$ 441,525	$ 507,809
Water Supply Administration	153,424	112,496	54,155
Customers Accounts	1,549,801	1,484,120	1,324,165
Electrical Maintenance/Instrumentation	382,827	373,906	342,237
Mechanical Maintenance	635,028	560,614	560,925
Civil Maintenance	291,904	225,597	254,700
Backflow Prevention	134,624	130,598	106,344
Intake Operation	181,919	190,643	166,295
Staff House	77,919	73,059	65,426
Pumping Stations	1,825,179	1,909,258	1,712,747
Railway Maintenance and Operation	1,247,652	1,179,416	1,178,497
Design and Engineering	638,963	90,896	728,322
Laboratory Services	460,838	451,090	408,995
High Pressure Plant	—	—	16,347
	8,143,228	7,223,218	7,426,964
Water Distribution			
Administration	1,456,414	1,572,126	1,382,808
Water Meter Maintenance	1,464,055	1,446,736	963,662
Service Pipe Maintenance	2,801,592	2,978,630	2,429,136
Valve Maintenance	1,773,997	1,234,645	1,614,782
Hydrant Maintenance	1,669,817	1,488,941	1,441,250
Watermain Maintenance	4,902,745	6,291,646	4,072,824
Training	99,500	127,409	257,005
Emergency Services	863,619	879,816	862,518
	15,031,739	16,019,949	13,023,985
Debt and Finance			
Interest on Debentures	4,972,797	5,022,452	5,115,623
Depreciation	3,043,255	3,082,662	3,593,204
Foreign Exchange	560,500	284,279	974,436
Financial Expenses	124,400	192,658	33,880
	8,700,952	8,582,051	9,717,143
Other			
Realty and Business Taxes (Note 8)	1,525,104	1,522,653	1,463,651
Payroll Taxes, General Government Charges, Insurance, etc. (Note 9)	1,022,079	1,003,149	937,118
Employee Benefits	2,111,858	1,951,560	1,790,868
Amortization of Pension Fund Deficit (Note 10)	284,460	284,460	284,460
Transfer to General Revenue Fund (Note 11)	3,143,000	3,481,126	—
	8,086,501	8,242,948	4,476,097
TOTAL EXPENDITURE	$39,962,420	$40,068,166	$34,644,189
NET PROFIT (LOSS) FOR THE YEAR	$(2,819,572)	$ 1,508,579	$ 4,401.683

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Water Works System
Statement of Retained Earnings

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$16,571,940	$12,170,257
LESS Prior Period Adjustment (Note 12)	(64,234)	—
Adjusted Opening Balance	16,507,706	12,170,257
ADD Net Profit for the Year	1,508,579	4,401,683
Closing Balance	$18,016,285	$16,571,940

Statement of Changes in Financial Position

For the Year Ended December 31, 1988

	1988	1987
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net Profit for the Year	$ 1,508,579	$ 4,401,683
Prior Period Adjustment	(64,234)	—
Expenses not requiring Cash Outlay		
Depreciation	3,082,662	3,593,204
Amortization of Foreign Exchange	121,479	438,462
Credits to Operations not involving Incoming Funds		
Interest on Sinking Fund	(875,220)	(973,267)
Working Capital from Operations	3,773,266	7,460,082
Change in Current Assets other than Cash	(343,667)	(755,173)
Change in Current Liabilities	(106,457)	(515,308)
	3,323,142	6,189,601
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Debenture Issue	10,000,000	500,000
General Reserve	101,894	633,420
Debt Retired	(5,373,540)	(7,071,665)
Foreign Exchange on Maturities	(408,980)	(2,310,907)
Repayment of General Reserve	(325,408)	(317,723)
	3,993,966	(8,566,875)
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(18,115,745)	(9,807,274)
Proceeds from Sale of Property and Plant	—	472
Contributions from Watermain Renewal Reserve	8,180,631	8,216,768
Payments from Sinking Fund Trustees		
Matured Debt	5,000,000	6,720,000
Foreign Exchange	811,728	2,715,019
Premium on Sinking Fund Investments	16,680	138,074
Payments to Sinking Fund Trustees		
Actuarial Requirements	(1,561,486)	(2,070,653)
Foreign Exchange	(16,680)	(138,074)
	(5,684,872)	5,774,332
Increase in Cash Assets	1,632,236	3,397,058
Cash Assets, Beginning of Year	12,701,552	9,304,494
Cash Assets, End of Year	$14,333,788	$12,701,552
COMPONENTS OF CASH ASSETS		
Cash on Hand	$ 13,118	$ 196,470
Due from General Revenue Fund	14,320,670	12,505,082
	$14,333,788	$12,701,552

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**

A. PROPERTY AND PLANT

Assets of the former City of Winnipeg and Metropolitan Corporation of Greater Winnipeg and projects constructed since January 1, 1972 are recorded at cost. The assets of the former suburban Municipalities are recorded at the amount of the outstanding liabilities. The cost of assets is not removed from the accounts when the assets are taken out of service. Therefore, the assets and accumulated depreciation are overstated. The amount of the overstatement has not been determined to date.

B. DEPRECIATION

Depreciation is recorded on the basis of serial debt repaid. Sinking Fund instalments provided. General Reserve debt retired, and interest earned on the Sinking Fund. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.
b) Projects under construction are, in certain instances, funded and depreciated prior to being placed in service.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Employees accrue vacation credits from May to December of each year which together with unused holidays from previous years are not recorded as a liability on the Balance Sheet. The amount of the liability has not been determined. Other items of revenues and expenditures are accounted for on the accrual basis.

E. On February 3rd, 1982, Council approved, by resolution, the establishment of a Reserve for Watermain Replacement and that there be an annual transfer of 100% of the Water Frontage Levy revenue to the Reserve for Watermain Renewals. Amending By-law No. 3890/85 set the Water Frontage Levy at $.85 per fronting foot.

2. **Funds on Deposit with Sinking Fund Trustees**

a) Included in this asset are deposits for foreign exchange requirements of $610,640.
b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $1.4 million (1987 $1.6 million) would have accrued to the credit of the utility.

3. **Debenture Debt**

a) Sinking Fund Debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%, except for the following listed By-Laws which as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 Years	1%
4025/85	1985	5 Years	3%
4246/86	1986	5 Years	3%
4347/86	1986	10 Years	3%
4510/87	1987	5 Years	3%
5010/88	1988	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.
c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$47,850,455
In United States Dollars	5,700,000
	$53,550,455

Debenture debt issued in United States dollars is recorded at par with the Canadian dollar.

4. **Provision for Foreign Exchange at Maturity**

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.
b) Debenture debt payable in foreign currencies amounted to $5,700,000 as at December 31, 1988. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $1,097,250. To date $352,708 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The City has adopted a policy of including foreign exchange on Sinking Fund holding of U.S. securities to reduce the amount to be amortized. The exchange attributed to these investments totalled $74,748. The foreign exchange deficiency of $669,794 (an amount which will be recalculated annually as the requirements for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

5. **Accounts Payable**

Commitments totalling $306,407 (1987 - $300,606) were recorded in the accounts for goods and services which had not been received by the year end.

6. **Contingent Liability**

Under the sick pay credit plan of the Waterworks System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7. **Consumer Rates**

Consumer rates were restructured effective April 1, 1988 as authorized by By-Law 4761/87 with no overall increase in rates. Consumer rates were last increased effective January 1, 1985 as authorized by By-Law 3948/85.

8. **Realty and Business Taxes**

This expenditure includes full taxes paid to outside municipalities and to The City of Winnipeg General Revenue Fund. Taxes are assessed on property as if it were privately owned. The only exceptions to this are grants in lieu of taxes paid to the R.M. of Tache ($3,750), the R.M. of Springfield ($15,000) and the Local Government District of Reynolds ($2,500). These amounts are fixed by The City of Winnipeg Act.

9. **General Government Charges**

This fund is charged with the estimated share of the City's General Government expenditures applicable to the Waterworks System. In 1988 this amounted to $852,942 (1987 - $675,017).

10. **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province.

The latest actuarial valuations are as at December 31, 1985. The Waterworks System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1988		Annual Payment	Term
Employee Benefits	$1,992,914	(Pension Improvements)	$274,945	to 2000
Employee Benefits	16,618		9,515	to 1990
	$2,009,532		$284,460	

11. **Transfer to General Revenue Fund**

Beginning in 1988, the Waterworks System is required to transfer to the General Revenue Fund an amount equal to 10% of Water Sales Revenue.

12. **Prior Period Adjustment**

Interest earned for the Sewage Disposal System for October, 1987 was credited to the Waterworks System in error. As a result the 1987 Waterworks System net profit was overstated by $64,234 and the Sewage Disposal System net profit understated by the same amount. A prior period adjustment was made direct to the Retained Earnings accounts in 1988 to correct this error.

Sewage Disposal System

Historical Data

Concern over rising pollution from sewage waste in the 1930's led to the establishment of the Greater Winnipeg Sanitary District in 1935. The same year saw a tri-government agreement to construct a sewage collection system and primary treatment plant which commenced operation in 1938. Major extensions to these facilities were constructed from 1954 through 1961 costing 3.6 million dollars.

The Metropolitan Corporation of Winnipeg replaced the Greater Winnipeg Sanitary District in 1961 and assumed the responsibility of treating sewage for the entire Metropolitan Winnipeg area. The next eleven years saw the construction of the West End Water Pollution Control Centre, and major revisions to the primary treatment and the addition of secondary treatment facilities at the North End Water Pollution Control Centre at an approximate cost of 17.8 million dollars.

On January 1, 1972, under the provisions of the City of Winnipeg Act, the new City assumed total responsibility for sewage disposal, including the individual delivery networks previously managed by the twelve former municipalities. During 1972, users continued to be charged at the same independent rates (based on water consumption) that prevailed in each of the former municipalities prior to unification. A schedule of rates common to the whole new City was adopted in 1973.

History was made on September 10th, 1974 with the opening of the South End Water Pollution control Centre, the first sewage treatment plant in Canada to utilize on-site generated oxygen to sustain bacterial growth in the sewage treatment process instead of vast quantities of air. Technological advances allowed staffing to be reduced from a 24 hr. - 7 day week to an 10 hr. - 5 day week. Twenty-four hour monitoring of this facility is undertaken at the McPhillips Water Pumping Control Centre.

Start-up of the South End Water Pollution Control Centre in 1974 marked the completion of a ten year plan to collect and provide secondary treatment for sewage generated in the southern part of the City. The cost of this 46 million litre per day facility, including the required sewage interceptor system, was approximately 15 million dollars.

A $2,000,000 expansion to the West End Water Pollution Control Centre was completed in late 1976. This addition was an extended aeration treatment plant with a capacity of 27 million litres per day. This plant functions along with the present lagoon system with a combined capacity 41 million litres per day.

Construction of two additional primary clarifiers at the North End Site in 1979 was the first step of a planned expansion to 827 million litres per day (peak flow) capacity. Improvements at the North End Water Pollution Control Centre (NEWPCC) in 1982 included the installation of equipment to improve digester performance and the purchase and installation of oxygen dissolution equipment. Additionally a contract was awarded for the supply of oxygen produced by an on-site oxygen generating plant built and operated by the supplier.

As part of the ongoing secondary process expansion, oxygen reactor tanks have been completed and the expansion of secondary clarification capacity — to 332 million litres per day (average flow) was completed in 1988. The total estimated cost for secondary process expansion works is $44.5 million. This expansion will increase peak secondary treatment capacity and achieve a higher standard of treatment for improved pollution control. The treatment objective is 25 milligrams per litre BOD and 30 mg/1 suspended solids at peak month operating conditions. This treatment will generate increased sludge quantities requiring treatment and disposal.

Treatment of increased sludge quantities will take place in two additional sludge digesters completed in 1987 at a cost of $18.2 million. Sludge will be dewatered in a facility projected to be completed in late 1990. The current estimate for this dewatering facility is $20.6 million.

The utility bears a share of general overhead expenses of the City as well as municipal taxes.

Statistical Information

	1988	1987
Sewage Received (million litres)	111,946.0	118,000
Sewage received (million litres average per day)	306.7	324
Kilometers of Interceptor Sewers	97.0	97.0
Kilometers of Combined Sewers	1,078.3	1,081
Kilometers of Sanitary Sewers	1,126.0	1,114
Kilometers of Storm Sewers	934.21	904.0
Number of Lift Stations	96.0	96.0
Number of Billed Sewer Services	168,979.0	166,923

The City of Winnipeg
Sewage Disposal System
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
CURRENT ASSETS		
Cash on Hand	$ 150	$ 150
Due from General Revenue Fund	24,457,151	7,161,799
Accounts Receivable		
Province of Manitoba	2,039	977
Government of Canada	2,098	2,494
Sinking Fund Trustees	271,477	361,984
Other	382,756	550,144
	658,370	915,599
Deferred Charges	26,840	—
	25,142,511	8,077,548
FUNDS ON DEPOSIT WITH SINKING FUND TRUSTEES (Note 2 & 4(a))	13,221,058	11,997,708
FIXED ASSETS		
Property, Plant and Equipment (Note 1(A))	95,005,854	91,783,593
Work in Progress (Note 1(A))	54,991,814	46,763,161
	149,997,668	138,546,754
LESS Accumulated Depreciation (Note 1(B))	39,157,200	35,716,350
Contributions in Aid of Construction	15,890,389	13,964,169
	94,950,079	88,866,235
DEFERRED FOREIGN EXCHANGE (Note 4(b))	141,135	688,210
	$133,454,783	$109,629,701

Liabilities

	1988	1987
CURRENT LIABILITIES		
Accounts Payable (Note 5)	$ 3,656,174	$ 3,618,368
Accrued Liabilities	14,707	121,161
Accrued Debenture Interest	3,818,523	3,297,181
Customer Deposits and Other	84,200	79,000
	7,573,604	7,115,710
LONG TERM LIABILITIES		
Debenture Debt (Note 3)	104,299,967	84,948,117
Provision for Foreign Exchange at Maturity (Note 1(C) & 4(b))	500,500	1,077,678
	104,800,467	86,025,795
Due to General Reserve Fund	1,267,030	1,376,156
	106,067,497	87,401,951
	113,641,101	94,517,661

Equity

	1988	1987
RETAINED EARNINGS	19,813,682	15,112,040
	$133,454,783	$109,629,701

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Sewage Disposal System
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	Budget 1988	Actual 1988	Actual 1987
REVENUE			
Sewage Services	$31,096,000	$34,839,110	$29,929,630
Frontage Taxes	980,000	996,092	977,616
Provincial Support Grant	102,400	104,736	93,531
Sewer Connection Permits	39,000	35,284	41,033
Industrial Waste Surcharges	1,000,000	1,359,727	1,133,035
Interest Earned	738,000	1,550,081	697,357
Interest Capitalized	523,000	346,781	548,498
Interest on Sinking Fund	534,981	527,254	519,574
Contribution from Sinking Fund	—	12,280	317,613
Financial Credits	19,200	87,500	192,500
Miscellaneous	5,000	44,783	28,778
TOTAL REVENUE	$35,037,581	$39,903,628	$34,479,165
EXPENDITURE			
Interception and Treatment			
General Administration	$ 497,149	$ 454,014	$ 464,564
Interception and Treatment Administration	158,597	91,241	78,284
Customers Accounts	1,549,800	1,484,047	1,323,699
Electrical Maintenance/Instrumentation	382,825	373,906	342,102
Mechanical Maintenance	635,027	560,614	560,925
Civil Maintenance	291,904	260,368	254,700
Interception System	1,132,136	1,111,495	1,020,541
North End Water Pollution Control Centre	5,756,579	5,281,356	4,740,672
South End Water Pollution Control Centre	1,242,942	1,179,520	1,071,129
West End Water Pollution Control Centre	230,050	209,341	165,571
Industrial Waste Control	166,392	189,086	156,607
Design and Engineering	853,962	755,852	699,303
Laboratory Services	460,837	451,090	408,995
	13,358,200	12,401,930	11,287,092
Collection and Sewer Service			
Administration	583,892	535,356	613,692
Sewer Maintenance	3,299,154	3,228,976	2,999,930
Sewer Renewals	200,000	195,224	227,000
Sewer Connections	150,000	123,663	57,085
Emergency Services	132,864	135,356	132,695
	4,365,910	4,218,575	4,030,402
Debt and Finance			
Interest on Debentures	9,317,441	9,150,863	7,931,162
Depreciation	3,440,851	3,440,850	3,234,993
Foreign Exchange	518,540	189,654	639,674
Financial Expenses	521,800	279,743	405,211
	13,798,632	13,061,110	12,211,040
Other			
Realty and Business Taxes (Note 8)	827,500	808,044	821,839
Payroll Taxes, General Government Charges, Insurance, etc. (Note 9)	572,842	567,831	536,839
Employee Benefits	708,865	636,895	638,018
Amortization of Pension Fund Deficit (Note 10)	87,924	87,924	87,924
Transfer To General Revenue Fund (Note 11)	3,109,600	3,483,911	—
	5,306,731	5,584,605	2,084,620
TOTAL EXPENDITURE	$36,829,473	$35,266,220	$29,613,154
NET PROFIT (LOSS) FOR THE YEAR	$(1,791,892)	$ 4,637,408	$ 4,866,011

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Sewage Disposal System
Statement of Retained Earnings

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$15,112,040	$10,246,029
ADD Prior Period Adjustment (Note 12)	64,234	—
Adjusted Opening Balance	15,176,274	10,246,029
ADD Net Profit for the Year	4,637,408	4,866,011
Closing Balance	$19,813,682	$15,112,040

Statement of Changes in Financial Position

For the Year Ended December 31, 1988

	1988	1987
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net Profit for the year	$ 4,637,408	$ 4,866,011
Prior Period Adjustment	64,234	—
Expenses not requiring Cash Outlay		
Depreciation	3,440,850	3,234,993
Amortization of Foreign Exchange	141,136	405,883
Credits to Operations not involving Incoming Funds		
Interest on Sinking Fund	(527,254)	(519,574)
Working Capital from Operations	7,756,374	7,987,313
Change in Current Assets other than Cash	230,389	(446,935)
Change in Current Liabilities	457,894	(1,409,542)
	8,444,657	6,130,836
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Debenture Issue	21,000,000	14,000,000
Debt Retired	(1,648,150)	(5,355,759)
Foreign Exchange on Maturities	(183,520)	(1,244,335)
Repayment of General Reserve	(109,126)	(99,802)
	19,059,204	7,300,104
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(11,450,914)	(11,242,153)
Contributions in Aid of Construction	1,926,220	329,414
Payments from Sinking Fund Trustees		
Matured Debt	800,000	4,550,000
Foreign Exchange	511,318	1,551,563
Premium on Sinking Fund Investments	12,281	74,347
Payments to Sinking Fund Trustees		
Actuarial Requirements	(1,995,133)	(1,888,660)
Foreign Exchange	(12,281)	(74,347)
	(10,208,509)	(6,699,836)
Increase in Cash Assets	17,295,352	6,731,104
Cash Assets, Beginning of Year	7,161,949	430,845
Cash Assets, End of Year	$24,457,301	$ 7,161,949
COMPONENTS OF CASH ASSETS		
Cash on Hand	$ 150	$ 150
Due from General Revenue Fund	24,457,151	7,161,799
	$24,457,301	$ 7,161,949

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**

A. PROPERTY AND PLANT

Assets of the former Metropolitan Corporation of Greater Winnipeg and projects constructed since January 1, 1972 are recorded at cost. Assets of the former City of Winnipeg and the former suburban Municipalities are recorded at the amount of the outstanding liabilities. The cost of assets is not removed from the accounts when the assets are taken out of service. Therefore, the assets and accumulated depreciation are overstated. The amount of the overstatement has not been determined to date.

B. DEPRECIATION

Depreciation is recorded on the basis of serial debt repaid, Sinking Fund instalments provided, General Reserve debt retired, and interest earned on the Sinking Fund. The effect of this policy is as follows:

a) All capital assets, including the cost of land, are subject to depreciation after they are funded.
b) Projects under construction are, in certain instances, funded and depreciated prior to being placed in service.

C. FOREIGN EXCHANGE ON DEBENTURE DEBT

Unrealized exchange losses relating to the translation of long term foreign currency bond issues at the exchange rate prevailing at the balance sheet date are fully provided for in the Long Term Debt section. (See Note 4(b))

D. ACCRUAL BASIS OF ACCOUNTING

Revenue for services rendered but not billed at the end of the year is not being accrued. Employees accrue vacation credits from May to December of each year which together with unused holidays from previous years are not recorded as a liability on the Balance Sheet. The amount of this liability has not been determined. Other items of revenues and expenditures are accounted for on the accrual basis.

2. **Funds on Deposit with Sinking Fund Trustees**

a) Included in this asset are deposits for foreign exchange requirements of $475,275.
b) Funds on deposit for actuarial and foreign exchange requirements are credited with interest calculated at various statutory rates not exceeding the maximum rate as prescribed by The City of Winnipeg Act. If the Sinking Fund Trustees' net income for the year was allocated in proportion to total funds on deposit, an additional amount of approximately $.9 million (1987 $.9 million) would have accrued to the credit of the utility.

3. **Debenture Debt**

a) Sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%, except for the following listed By-Laws which, as a result of the levies being provided and the terms of the issues, will result in sinking fund deficiencies requiring these issues to be refinanced at maturity.

By-Law	Year of Issue	Term of Issue	Levy
3807/84	1984	7 Years	1%
4025/85	1985	5 Years	3%
4246/86	1986	5 Years	3%
4347/86	1986	10 Years	3%
4510/87	1987	5 Years	3%
5010/88	1988	5 Years	3%

b) All debentures are general obligations of the City. Debenture debt is allocated to the General Capital Fund and Utilities in the amounts shown in the issuing by-law.

c) At maturity the debenture debt is payable in the following currencies:

In Canadian Dollars	$101,699,967
In United States Dollars	2,600,000
	$104,299,967

Debenture debt issued in United States Dollars is recorded at par with the Canadian Dollar.

4. **Provision for Foreign Exchange at Maturity**

a) Sufficient funds are on deposit with the Sinking Fund Trustees for sinking fund debenture issues payable in foreign currencies to maintain the actuarial requirements in Canadian Dollars at the equivalent of the foreign currencies at the exchange rates prevailing at the balance sheet date.
b) Debenture debt payable in foreign currencies amounted to $2,600,000 as at December 31, 1988. The foreign exchange on this liability at the exchange rate prevailing at balance sheet date totalled $500,500. To date $359,365 has been accumulated towards this contingency at maturity through the retention of exchange premiums realized on foreign currency bond issues, contributions from sinking fund surpluses and charges to current operations. The foreign exchange deficiency of $141,135 (an amount which will be recalculated annually as the requirement for such purpose may from year to year vary) has been set up as a deferred charge to be amortized over the remaining life of the related bond issues by annual charges to operations.

5. **Accounts Payable**

Commitments totalling $488,536 (1987 - $968,801) were recorded in the accounts for goods and services which had not been received by the year end.

6. **Contingent Liability**

Under the sick pay credit plan of the Sewage Disposal System, unused sick leave credits accumulate and employees with specified minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined.

7. **Consumer Rates**

Consumer rates were increased effective January 1, 1988 as authorized by By-Law 4762/87.

8. **Realty and Business Taxes**

This expenditure includes full taxes paid to outside municipalities and to The City of Winnipeg General Revenue Fund. Taxes are assessed on property as if they were privately owned. The only exception to this are taxes paid on the North End Water Pollution Control Centre which are fixed at $30,000.

9. **General Government Charges**

This fund is charged with the estimated share of the City's General Government expenditure applicable to the Sewage Disposal System. In 1988 this amounted to $326,142 (1987 - $310,398).

10. **Amortization of Pension Fund Deficit**

City Council has adopted a policy of amortizing unfunded pension fund liabilities in accordance with the Pension Benefit Act of the Province. The latest actuarial valuations are as at December 31, 1985. The Sewage Disposal System portion is as follows:

Pension Fund	Unfunded Liability As At December 31, 1988		Annual Payment	Term
Employee Benefits	$609,854	(Pension Improvements)	$84,983	to 2000
Employee Benefits	5,085		2,941	to 1990
	$614,939		$87,924	

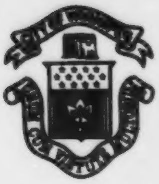
11. **Transfer to General Revenue Fund**

Beginning in 1988, the Sewage Disposal System is required to transfer an amount to the City's General Revenue Fund equal to 10% of Sewage Services Revenue.

12. **Prior Period Adjustment**

Interest earned on Bank for the Sewage Disposal System for October, 1987 was credited to the Waterworks System in error. As a result the 1987 Waterworks System net profit was overstated by $64,234 and the Sewage Disposal System net profit understated by the same amount. A prior period adjustment was made to the Retained Earnings accounts in 1988 to correct this error.

North Portage Development (© Henry Kalen Ltd.)



Winnipeg Ambulance Service

The Winnipeg Ambulance Department

Historical Data

The Ambulance Department was created as a Department of the City of Winnipeg on March 16, 1983 when Council adopted a report from the Ad Hoc Committee on Ambulance Service titled "Emergency Medical Services in Winnipeg" and the recommendations contained therein. The Department is responsible for providing emergency medical and stable patient transfer services within the boundaries of the City of Winnipeg and up to and including the Perimeter Highway. In 1987 a contract was negotiated to extend this service to the R.M. of Ritchot. On May 2, 1988, a recruit class of 12 Emergency Medical Attendants started a 17 week basic training program. Following their graduation, an ambulance station was opened at 5006 Roblin Boulevard providing 24 hour 7 days a week services to the Charleswood area. The department now operates out of 9 stations, strategically located in order to provide a uniform level of response to all sections of Winnipeg.

The department responded to a total of 43,633 incidents of all types in 1988, an increase of 2,612 calls or 6.36% over 1987. Of these incidents 13,058 were life threatening calls, 7,480 were of an urgent nature. The balance were either stable patient transfers or, in some cases, cancelled calls.

The Operations Division consists of 92 Emergency Medical Attendants, 10 Dispatchers, 2 Storespersons, 6 Supervisors and a Superintendent. This division of four platoons works a four days on, four days off shift rotation, rotating from days to nights. The major demands placed on the division range from providing emergency response and treatment of the sick and injured, to those in need at other scenes that might include severe burns in a house fire or an emergency childbirth in the home.

The department's Operations Supervisors are also responsible for the extrication of victims trapped in the wreckage at a motor vehicle accident. This function is viewed as part of the process of delivering a professional emergency medical service. The Supervisor's vehicle is equipped with a complete rescue capability, which includes such items as the Jaws of Life, air bags, power chisels, and the latest in modern equipment and specialized training in that field. The City of Winnipeg Ambulance Department has developed a high level of expertise in this area. The department also provides a trench rescue response capability. Drill ground trench rescue training exercises were conducted for Ambulance Department staff in 1988.

The Ambulance Department Training Division is responsible for providing recruit and inservice training for all Ambulance Department personnel. The Training Division conducts extensive reviews of medical programs, audits patient care at incident scenes and conducts case reviews on emergency calls. Training Personnel also manage the Stores Division which includes the selection of all medical supplies and equipment, and act as a resource to the department's Medical Director. In 1988 the Training Division provided 2,272 hours of training which included one Emergency Medical Assistant recruit class, inservice training, seminars, and recertifications in advanced life support skills. The department was one of the leaders in Canadian prehospital care by introducing Basic Trauma Life Support Courses. This program in paramedic level management of the trauma victim, brought state of the art prehospital trauma care to Winnipeg. In 1987 an application was prepared and submitted to the Canadian Medical Association for accreditation of the Ambulance Department's Emergency Medical Attendant Training Program, to secure national certification for its departmental training standards. The department was granted a 5 year full accreditation by the C.M.A. A pilot project within this department allows for Advanced Cardiac Life Support to be administered at the scene of a medical emergency. This includes drug administration, endotracheal intubation, and intravenous therapy. The Ambulance Department has documented that the survival rate for out of hospital cardiac arrests in Winnipeg are as follows: 20% are admitted to hospital and 6% are ultimately discharged. The implementation of these paramedic skills, while still in a trial stage can, however, be expected to ensure that the citizens of Winnipeg will continue to receive state of the art prehospital medical care.

A break down of 1988 and 1987 departmental responses and response times are as follows:

Statistical Information:

	1988	%	1987	%
Total Number of Emergency Calls	20,538	100.0%	19,625	100.0%
Average Emergency Response Time	5.06 mins.		5.02 mins.	
Code 4 Calls	13,058	64.0%	12,752	65.0%
Code 3 Calls	7,480	36.0%	6,873	35.0%
Analysis of Code 4 Calls				
Less Than 4 Minutes	6,324	49.0%	6,226	49.0%
4 — 6 Minutes	3,697	29.0%	3,724	29.0%
6 — 8 Minutes	1,688	12.0%	1,559	12.0%
Greater Than 8 Minutes	1,349	10.0%	1,243	10.0%

The City of Winnipeg
Winnipeg Ambulance Service
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
Current Assets		
Cash on Hand	$ 200	$ 200
Accounts Receivable		
Individuals	499,272	520,550
LESS: Allowance for Doubtful Accounts	240,000	225,000
	259,272	295,550
Agencies	128,137	81,638
Manitoba Blue Cross	58,890	47,730
Sundry	1,255	11,159
	447,554	436,077
Capital Assets		
Equipment at Cost		
Mobile (Note 2)	409,555	396,756
Communication	305,641	271,587
Furniture and Fixtures	147,101	124,425
	862,297	792,768
LESS: Accumulated Depreciation and Amortization (Note 1A)	862,297	792,768
	—	—
	$ 447,754	$ 436,277

Liabilities

	1988	1987
Due to General Revenue Fund	$ 255,754	$ 192,400
Accounts Payable (Note 4)	18,498	27,670
Accruals	19,208	170,007
Estimated Wage Adjustment	154,294	46,200
	$ 447,754	$ 436,277

CONTINGENT LIABILITY - NOTE 3

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Ambulance Service
Statement of Revenue and Expenditure

For the Year Ended December 31, 1988

	Budget 1988	Actual 1988	Actual 1987
REVENUE			
Ambulance User Fees			
Emergency Services	$3,511,250	$3,529,704	$3,207,095
Transfer Services	395,000	321,971	350,430
	3,906,250	3,851,675	3,557,525
Appropriation from General Levy (Note 1D)	2,192,130	1,827,023	1,821,148
Province of Manitoba			
Per Capita Ambulance Grant	1,129,647	1,117,752	1,088,028
Support Grant	111,114	113,649	89,085
Special Program Grant	85,000	85,000	85,000
	1,325,761	1,316,401	1,262,113
Service Contracts	43,229	43,229	43,229
Bad Debt Recoveries	15,000	28,097	20,458
Other	—	2,221	20,981
	$7,482,370	$7,068,646	$6,725,454
EXPENDITURE			
Operations			
Emergency Services	$4,300,423	$4,095,180	$3,894,245
Transfer Services	460,718	389,527	400,428
Communications	641,513	603,545	602,438
Training	304,613	283,508	266,410
Stores Branch	66,567	65,426	50,975
	5,773,834	5,437,186	5,214,496
Administration	440,333	420,552	415,243
Other			
Employee Benefits	672,364	670,972	533,241
Provision for Bad Debts	399,025	347,359	361,864
Other Debt and Financing Charges	30,000	28,178	24,870
Payroll Tax	111,114	109,643	92,022
Insurance and Claims	55,700	54,756	83,718
	$7,482,370	$7,068,646	$6,725,454

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Ambulance Service
Notes to the Financial Statements

As at December 31, 1988

1. **Significant Accounting Policies**

   A. **Capital Equipment**
   Capital assets financed by The City of Winnipeg - Capital Fund are amortized based on the principal repayment. Other Capital assets are fully depreciated in the year of purchase.

   B. **Operating Supplies**
   All operating supplies are written off as operating expenses in the year acquired.

   C. **Accrual Basis of Accounting**
   Revenue and expenditure are accounted for on the accrual basis.

   D. **Appropriation From General Levy**
   Expenditures in excess of Provincial Government grants and operating revenues are funded by the General Revenue Fund of The City of Winnipeg.

2. **Mobile Equipment**
   Mobile equipment includes only equipment normally transported in vehicles. All vehicles were transferred to the Equipment and Material Services Division in 1980. The Winnipeg Ambulance Service now pays the Equipment and Material Services Division for the use of the vehicles.

3. **Contingent Liability**
   Under terms of The Winnipeg Ambulance Service Union Agreements, certain employees are entitled to cash payments for unused sick leave credits upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for these sick leave credits has not been determined. Payments will be charged to operations in the year incurred.

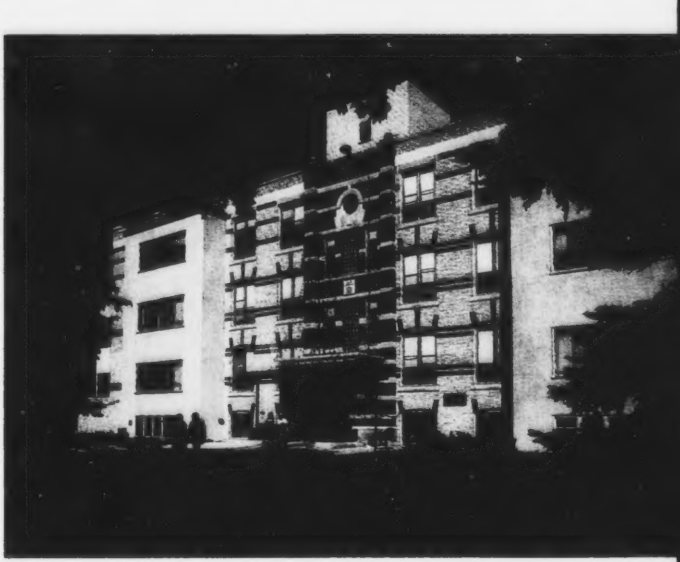
   In addition under the terms of the Union Agreements, permanent employees, upon resignation from the Winnipeg Ambulance Service shall be entitled to a cash payment for his/her unused accumulated sick credits to his/her standing as of January 1, 1980, in an amount equivalent to 50% of the amount as calculated within the cash out provisions. The cash payment is calculated at the rate at which it was accumulated. No provision is made for the liability until the time of resignation or lay off. As of December 31, 1988, this liability is estimated at $68,486 (1987 - $69,056).

4. **Accounts Payable**
   Commitments totalling $10,514 (1987 - $18,934) were recorded in the accounts for goods and services which had not been received by year end.

5. **Rate Change**
   The rate for Emergency fees increased to $150 from $140 effective May 1, 1988 as authorized by Council. The rate for transfer fees remained unchanged at $100.

City Operated Municipal Hospitals Which Provide Chronic and Respirator Service

Princess Elizabeth (152 bed)

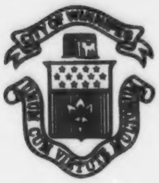


King Edward Memorial (106 bed)

King George (79 bed)

ROBERT A. STEEN
DAY HOSPITAL

Robert A. Steen Day Hospital



Winnipeg Municipal Hospitals

The Municipal Hospital Commission of The City of Winnipeg

Historical Data

Hospital Service as a civic utility dates back to January, 1911, when the old Beath Maternity Hospital, on Bannatyne Avenue, was bought for the care and treatment of Scarlet Fever prevalent at that time.

A temporary building was then constructed for cases of Pulmonary Tuberculosis on a hospital site which the City had acquired in Riverview and to which the first patient was admitted in June, 1911. Afterwards followed the construction of permanent accommodation for these cases, and in July, 1912, the King Edward Memorial Hospital was opened.

Subsequently the King George Hospital was opened in February, 1914, for all acute communicable diseases excepting Smallpox and in October, 1921, the care of Smallpox was also taken over, so that facilities for the care and treatment of all communicable diseases were then available.

On November 2nd, 1937, the McKittrick Tuberculosis Clinic erected from funds bequeathed by the late Martin T. McKittrick, was put in operation although not officially opened until June 1st, 1938, by the Reverend Sister Edith Patricia, daughter of the donor.

Construction was commenced on May 27th, 1947, of a 208 bed institution on the Municipal Hospital grounds, to provide hospital care for chronically ill patients and by Royal assent was named the Princess Elizabeth Hospital. On March 23, 1950, the new hospital was officially opened.

With the intensive preventive measures of the Tuberculosis control campaign showing remarkable results and aided by the discovery of new antibiotics, it was found unnecessary for the City to continue to remain in this treatment field and effective July 1st, 1954, this service was transferred to the Sanatorium Board of Manitoba and the King Edward Memorial Hospital was replanned to provide more chronic beds to relieve the pressure on the Princess Elizabeth Hospital.

Renovation was commenced on November 15th, 1954, and completed late in 1955. As a result of this replanning, 124 additional chronic beds were available for use early in 1956.

The capacity in the King George Hospital for the treatment of acute communicable diseases, including the area respiratory centre, was also adjusted in 1955, to provide for new Administrative offices and beds were reduced from 200 beds to 171.

On December 31st, 1967, the Infectious Disease Service was terminated due to the very low incidence of acute communicable diseases.

A Home Care Program established as a trial project in mid-1965 proved to be a success and became a permanent program of the hospital.

Since 1962, the Board and Administration of the Winnipeg Municipal Hospital have been planning for new and renovated facilities to meet the ever increasing demand for extended care service. In 1980, approval was received from the Manitoba Health Services Commission to proceed with the development of a functional program and initial planning for a service building to accommodate designated service departments of the hospital, together with renovations to specific areas of the King George Hospital. This new building, called the Day Hospital, dedicated to former Mayor Robert Ashley Steen, was officially opened by Her Honour Pearl McGonigal, September 14, 1983, assisted by Mayor Wm. C. Norrie and Mrs. Robert Steen. It is a modern facility equipped to offer an enriched program of therapy and socialization to 25 patients per day.

In 1983, the Manitoba Health Services Commission approved the hospital's project for redevelopment, and in 1987, a new powerhouse to supply a redeveloped 400 beds was commissioned.

By the end of 1988, the hospital was organized into six programs:

General Medicine	168 beds
Geriatric Medicine	60 beds
Rehabilitation	19 beds
Palliative/Oncology	49 beds
Respiratory/Ventilator	41 beds
Psychiatry	no dedicated beds

Additionally, as noted above, the Day Hospital, to service 125 patients, and a Physiotherapy out-patient department, are also part of the complex. These services are divided between four buildings:

King Edward Memorial Hospital	106 beds
King George Hospital	79 beds
Princess Elizabeth Hospital	152 beds
Day Hospital	———

Statistical Information*

	1988	1987
Patients Admitted—		
Chronic Service	802	779
Respirator Service	15	104
Average Stay of Patients (Days)—		
Chronic Service	133.86	123.6
Respirator Service	55.92	91.5
Days of Treatment Given	110,236	112,363
Average Number of Patients in Hospital	315	309
Average Number of Employees	675	649

*** Hospital Fiscal Year is April 1st to March 31st.**

The Municipal Hospital Commission of The City of Winnipeg Balance Sheet

As at March 31, 1988

Assets

	1988	1987
CURRENT ASSETS		
Cash	$ 400	$ 400
Accounts Receivable	215,876	213,497
Less: Allowance for Doubtful Accounts	109,214	88,167
	106,662	125,330
Deficit recoverable from the Manitoba Health Services Commission (Note 1e and Note 6)	1,754,393	1,854,196
Due from The City of Winnipeg		
General Revenue Fund	263,772	776,722
Improvement and Replacement Reserve	86,956	198,310
Depreciation Reserve	139,935	196,435
	490,663	1,171,467
Materials and Supplies	405,667	378,271
Prepaid Expenses	76,039	9,371
	2,833,824	3,539,035
FIXED ASSETS (Note 2 and Note 3)		
Property, Plant and Equipment	15,553,710	11,340,740
Less: Accumulated Depreciation	4,933,877	4,187,754
	10,619,833	7,152,986
Project under Construction	1,520,370	4,860,225
	12,140,203	12,013,211
	$14,974,027	$15,552,246

Liabilities and Capital

	1988	1987
CURRENT LIABILITIES		
Accounts Payable	$ 156,741	$ 785,280
Accrued Liabilities	1,070,398	301,423
Due to The City of Winnipeg		
General Revenue Fund	994,058	2,228,750
General Capital Fund	26,538	23,381
General Reserve Fund	44,413	39,654
	2,292,148	3,378,488
LONG TERM DEBT		
Due to The City of Winnipeg		
General Revenue Fund	9,794,001	8,652,337
General Capital Fund (Note 3)	—	26,538
General Reserve Fund (Note 3)	1,854,389	1,898,803
	11,648,390	10,577,678
CAPITAL	1,033,489	1,596,080
	$14,974,027	$15,552,246

CONTINGENT LIABILITY (NOTE 4)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

The Municipal Hospital Commission of The City of Winnipeg
Statement of Revenue and Expenditure

For the Year Ended March 31, 1988

	BUDGET 1988	ACTUAL 1988	ACTUAL 1987
REVENUE			
Manitoba Health Services Commission			
In-Patients	$22,918,704	$22,918,704	$20,489,208
Out-Patients	1,245,792	1,245,792	1,197,024
	24,164,496	24,164,496	21,686,232
Authorized Charges/Chronic Care Charges	729,200	560,427	601,050
Dietary	187,000	201,785	184,138
Drug Sales	428,000	531,895	425,776
Employment Projects	4,158	4,000	28,446
Federal Agencies	6,500	—	15,734
Non-resident Patients	—	—	15,806
Other Patient Care	14,600	4,502	14,566
Rentals	—	—	1,960
Sundry	9,646	12,293	13,456
The City of Winnipeg Grants (Note 5)	—	263,772	263,772
	25,543,600	25,743,170	23,250,936
EXPENDITURE			
General Administration	1,818,064	2,051,131	1,719,164
General Services	4,542,401	4,601,409	4,518,083
Depreciation and Interest on Long Term Loans (Note 3)	1,794,800	1,743,793	648,817
Patient Care	15,846,155	16,088,118	15,605,111
Plant Maintenance	1,542,180	1,425,151	1,465,118
	25,543,600	25,909,602	23,956,293
Net Deficit For The Year In Accordance with Manitoba Health Services Commission Reporting (Note 1e)	—	166,432	705,357
Recoverable From Manitoba Health Services Commission (Note 6)	—	166,432	705,357
Other Income — Parking	—	47,044	45,942
Excess of Revenue over Expenditure	$ —	$ 47,044	$ 45,942

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Municipal Hospital Commission of The City of Winnipeg
Statement of Capital

For the Year Ended March 31, 1988

	1988	1987
CAPITAL - Beginning of Year	$1,596,080	$1,998,726
ADD Excess of Revenue over Expenditure	47,044	45,941
Contributed Services and Donations	170,269	72,570
	1,813,393	2,117,237
Parking Lot Construction Funded From Revenue Surplus	—	137,345
	1,813,393	2,254,582
LESS Manitoba Health Services Commission Adjustments	—	37,624
Depreciation of Assets Purchased with Federal Government Grants	11,014	11,014
Depreciation of assets not funded by Manitoba Health Services Commission	618,109	438,272
Capital Cost of Parking Lot	—	137,345
Purchases	150,781	34,247
CAPITAL — End of Year	$1,033,489	$1,596,080
Capital is comprised of		
Revenue Fund	$ 128,523	$ 81,479
Capital Fund	904,966	1,514,601
	$1,033,489	$1,596,080

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

Auditor's Report

To the Chairman and Members
The Municipal Hospital Commission
of The City of Winnipeg

I have examined the balance sheet of The Municipal Hospital Commission of The City of Winnipeg as at March 31, 1988 and the statements of revenue and expenditure, capital and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such test and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1988 and the results of its operations for the year then ended, in accordance with accounting principles described in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

LE Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
September 30, 1988

The Municipal Hospital Commission of The City of Winnipeg Statement of Changes in Financial Position

For the Year Ended March 31, 1988

	1988	1987
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net Deficit	$ (166,432)	$(705,357)
Prior Year's Recoveries	266,235	500,048
Parking Income	47,044	45,942
Donations	39,427	54,813
Add - Depreciation	728,195	137,259
- Loss on Equipment Disposal	4,331	—
	918,800	32,705
Decrease in Accounts Receivable	18,668	60,019
Decrease (Increase) in Materials and Supplies	(27,396)	(29,974)
Decrease (Increase) in Prepaid Expenses	(66,668)	(8,011)
Increase (Decrease) in Accounts Payable	(628,539)	(11,953)
Increase (Decrease) in Accruals	768,975	(2,879)
	983,840	39,907
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES:		
Payment of Long Term Debt	(650,936)	(56,006)
Interim Construction Financing	1,141,664	3,965,628
	490,728	3,909,622
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(899,842)	(3,976,286)
Expenditures paid by Donations	(20,838)	(21,690)
	(920,680)	(3,997,976)
Increase (Decrease) in Cash	$ 553,888	$ (48,447)
REPRESENTED BY:		
Due from The City of Winnipeg General Revenue Fund - Current	$ (680,804)	$ 248,227
Due to The City of Winnipeg General Revenue Fund - Current	1,234,692	(296,674)
	$ 553,888	$ (48,447)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Municipal Hospital Commission
Of The City of Winnipeg
Notes to The Financial Statements

March 31, 1988

1. **Significant Accounting Policies**

a) No statutory requirements exist but The Municipal Hospital Commission follows the Canadian Hospital Accounting Manual.

b) The statements are prepared using the accrual basis of accounting except for vacation credits accrued by employees from May 1 to March 31 of each year which together with unused holidays from previous years are not recorded as a liability on the Balance Sheet. The amount of this liability has not been determined.

c) Materials and Supplies

Inventory is stated at cost using the FIFO valuation method. A modified FIFO basis is applied for pharmaceutical goods.

d) Revenue

Revenue received from the Manitoba Health Services Commission for net insured in-patient costs is based on operating budget amounts approved annually and adjusted for amounts to be returned to or recovered from the Commission in respect of the surplus or deficit arising in the current fiscal year.

e) Surplus and Deficit

Manitoba Health Services Commission

The Hospital is entitled to retain any surplus arising from the excess of revenue over expenses for activities funded by Manitoba Health Services Commission for each fiscal year up to a maximum of 2% of the net insured in-patient costs. Any surplus amount in excess of the maximum is returned to the Manitoba Health Services Commission.

Starting in the 1987/88 fiscal year, Manitoba Health Services Commission has instituted a ''no deficit' policy, meaning budget appeals in the historic sense are suspended and there will be no year-end settlements to provide for deficits. Exceptions to this rule are commitments, accruals for approved salary contracts which have not yet received funding and deficits resulting from shortages in non-M.H.S.C. patient income.

The Hospital is eligible to make application to the Manitoba Health Services Commission for the recovery of any deficit arising from the above listed exceptions.

f) Depreciation

The Hospital records depreciation on its fixed assets in accordance with the policy determined by the Manitoba Health Services Commission as follows:

Buildings-straight line method over their estimated useful life except in the case of Fire Protection renovations costing $183,236 and Day Hospital construction costing $2,033,700 which are based on principal payment in each year of the outstanding loan from The City of Winnipeg.

Equipment-straight line method over sixteen years.

2. **Property, Plant and Equipment**

Property, Plant and Equipment is valued at cost and includes $1,251,879 of fully depreciated assets.

3. **Long Term Debt**

a) Due to The City of Winnipeg Capital Fund - Fire Protection

This loan is due on March 31, 1989 and bears an interest rate of 13 1/2 percent. Principal repayment for 1989 will be $26,538 to satisfy the outstanding loan.

b) Due to The City of Winnipeg General Reserve Fund - Day Hospital

This loan is due on December 31, 2003 and bears an interest rate of 12 percent. Principal repayment is as follows:

1988/89 - $44,413
1989/90 - $49,743
1990/91 - $55,712
1991/92 - $62,397
1992/93 - $69,885
and $1,616,653 due thereafter.

4. **Contingent Liabilities**

Under the sick pay credit plans for certain employees of The Municipal Hospital Commission, unused sick leave credits accumulate and employees with specific minimum service requirements become entitled to a cash payment upon retirement, death or termination of service under certain conditions (not resignation). The estimated liability for such accumulated credits has not been determined at the end of the year.

In addition, unused annual holidays for certain management employees is estimated at $38,000 (1987 - $36,000).

5. **The City of Winnipeg Grant - Unfunded Pension Liability**

Current revenue includes $263,772 from The City of Winnipeg to offset the annual charge against The Municipal Hospital Commission of its share of the cost of amortization of unfunded pension liabilities in accordance with the Pension Benefits Act of the Province of Manitoba. The Province, through the Manitoba Health Services Commission has refused to reimburse The Municipal Hospital Commission for the costs and The City of Winnipeg has agreed to absorb these costs to maintain the solvency of the Municipal Hospital Commission.

6. **Deficit Receivable**

The current year's allowable net deficit of $166,432 has been recorded as a receivable from the Manitoba Health Services Commission. The recovery of the outstanding balance as at March 31, 1988 is subject to final audit by the Manitoba Health Services Commission.

7. **Reclassification**

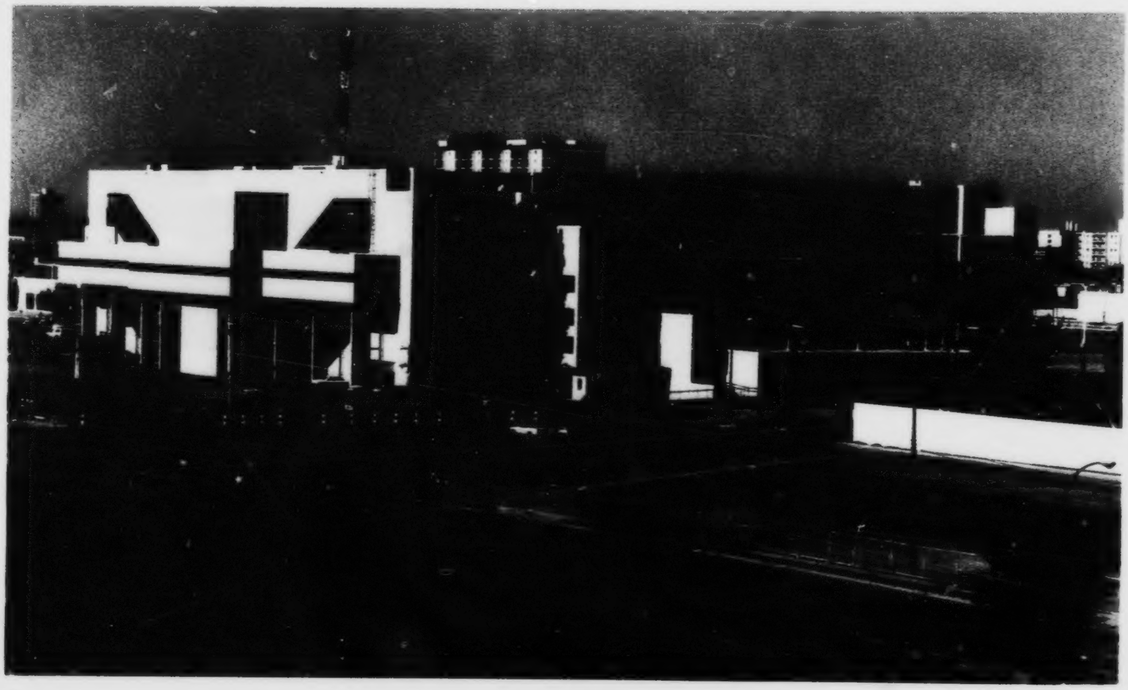
Certain 1987 expenditures have been reclassified to conform to the 1988 financial statement presentation.

8. **Subsequent Event**

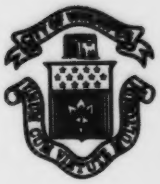
On December 1, 1988, under By-law 5010/88, the City issued debenture debt for the Municipal Hospital Commission in the amount of $6,000,000 due December 1, 1993. This debenture bears interest at 10 1/4% per annum and has a 3% levy that will require refinancing.

Winnipeg Convention Centre

Winnipeg's Downtown Convention Centre



Winnipeg Arena



Corporations:
Convention Centre
Winnipeg Enterprises

The Convention Centre Corporation

This Corporation carries on activities under the Convention Centre Act having for its purpose the construction, operation and promotion of a Convention Centre in the City of Winnipeg.

The Winnipeg Convention Centre, located in the block bounded by St. Mary and York Avenues, Carlton and Edmonton Streets, and built at a cost of $23.7 million officially opened its doors for business on January 15, 1975. It was one of the biggest events of its kind that any Canadian city had ever seen. Sixteen hundred performers entertained five thousand invited guests from all over North America in the traditional multi-cultural style for which Winnipeg is famous. After thirteen years of operation, the facility has been the site of Provincial, Canadian and American national conventions and world congresses, together with major national and international trade shows, sporting activities, theatrical events and some of the largest sit-down dinners ever hosted under one roof in Canada. Since the facility opened over $235 million has been spent in Winnipeg by delegates attending conventions.

The Centre has over 121,000 square feet of meeting and exhibition space, a 600-seat cinema, restaurants, stores, boutiques, underground parking for 550 cars and can handle 7,200 people for special events.

The main exhibition hall can be divided into two separate areas of 50,000 and 28,000 square feet by moving a partition wall. This space is utilized for trade shows, the performing arts, festival-type shows, large conventions and dinners. A portable sports floor can be provided which allows the centre to accommodate spectator sporting events. One of the hall's outstanding features is it's 2,067 seats on risers, which can be telescoped against the wall when not in use. The ground floor contains over 21,300 sq. ft. of meeting room space, for one enormous meeting room seating 2,500 people, theatre style. The area also divides into 13 separate meeting rooms and additional 6 private salons. A portable dance floor transforms the ground floor meeting room into a supper-dance banquet area for more than 1,700 people. A full service kitchen and cocktail lounge are also on this floor.

The second floor has a 600-seat cinema, which is available to conventions, professional and trade groups and can be used for audio and visual presentations and for lectures. The Shopping Plaza located on this floor comprises approximately 20,000 square feet of rental space occupied by a variety of shops, restaurants and services for the conventioner. The Garden Terrace Cafeteria, located on this floor, is operated by The Winnipeg Convention Centre. Renovations to the second floor, completed in 1986, provided an additional area in excess of 12,000 square feet of rental space for meetings, banquets, and private/public shows. This floor is connected by pedestrian crosswalks to the Holiday Inn and Lakeview Square. 8.1 million squar feet of retail space is accessible within a one block area of the centre.

The third floor space equivalent to 70 average homes, is pillar free and has a 30 foot high open grid ceiling which can accommodate exhibits of up to fifty feet in height. Ramp access to the third floor loading dock allows up to 7 semi-trailers to unload simultaneously. The 21,000 square foot dock area may also be utilized expanding the total available space to almost 100,000 square feet on one floor.

The Centre is wired for sound and closed circuit T.V. security, controlled from a central control room. Escalators and elevators provide adequate transportation between floors.

The Convention Centre is administered by a 13-member Board of Directors consisting of: 4 City Councillors, the Commissioner of Finance (or his designate) and eight citizen members appointed at large.

The Convention Centre Corporation
(Incorporated by Special Act under the laws of Manitoba)
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
CASH	$ 548,788	$ 657,139
ACCOUNTS RECEIVABLE	398,736	311,471
OPERATING GRANT RECEIVABLE, City of Winnipeg	132,322	—
INVENTORY, at cost	163,652	145,894
PREPAID EXPENSES	34,244	38,608
DEFERRED CHARGE (Note 2)	1,274,593	751,775
	$2,552,335	$1,904,887

Liabilities and Surplus

	1988	1987
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	$ 662,690	$ 618,716
CUSTOMER DEPOSITS	104,603	97,625
CITY OF WINNIPEG LOAN (Note 2)	1,274,593	751,775
UNEARNED REVENUE (Note 2)	50,740	—
RESERVE FOR CAPITAL REPLACEMENTS (Note 3)	290,809	378,499
SURPLUS	168,900	58,272
	$2,552,335	$1,904,887

Statement of Reserve for Capital Replacements

	1988	1987
Balance at beginning of year	$ 378,499	$ 495,307
Allocation for capital replacements	72,000	72,000
Appropriation from Surplus	—	70,000
	450,499	637,307
Capital replacements charged to reserve	159,690	292,480
	290,809	344,827
Proceeds from sale of equipment	—	33,672
Balance at end of year	$ 290,809	$ 378,499

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Convention Centre Corporation
Statement of Revenue and Expenditure and Surplus

For the Year Ended December 31, 1988

	1988	1987
Operating revenue	$6,253,497	$5,987,664
Operating costs	2,495,571	2,323,469
	3,757,926	3,664,195
Operating grant, City of Winnipeg	807,322	906,472
	4,565,248	4,570,667
Expenditure		
Accounting and financial services	317,491	302,269
Administration	319,670	341,982
Allocation for capital replacements	72,000	72,000
Building maintenance	2,375,112	2,272,858
Event set-up	108,720	106,928
Food and beverage	224,651	211,232
Sales and promotion	589,683	555,897
Security	431,643	409,797
	4,438,970	4,272,963
Revenue from operations	126,278	297,704
Capital improvements, Destination Manitoba Grant (Note 4)		
Grant earned	—	237,759
Capital expenditure incurred	15,650	407,191
	(15,650)	(169,432)
City of Winnipeg debt service (Note 2)		
Grant earned	74,260	—
Debt service costs	74,260	—
	—	—
EXCESS OF REVENUE (EXPENDITURE)	110,628	128,272
Surplus at beginning of year	58,272	—
	168,900	128,272
Appropriation to reserve for capital replacements	—	70,000
SURPLUS AT END OF YEAR	$ 168,900	$ 58,272

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Convention Centre Corporation
Statement of Changes in Financial Position

For the Year Ended December 31, 1988

	1988	1987
CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
Revenue from operations	$ 126,278	$ 297,704
Item not involving cash allocation for capital replacements	72,000	72,000
	198,278	369,704
Grant for debt service	125,000	—
Debt service costs	(74,260)	—
	50,740	—
	249,018	369,704
Change in operating assets and liabilities		
Accounts receivable	(87,265)	(92,543)
Operating grant receivable, City of Winnipeg	(132,322)	541,231
Inventory	(17,758)	13,331
Prepaid expenses	4,364	27,252
Accounts payable and accrued liabilities	43,974	7,183
Customer deposits	6,978	9,277
	66,989	875,435
FINANCING ACTIVITIES		
Capital improvements grant, Destination Manitoba	—	50,000
Increase in City of Winnipeg loan	522,818	751,775
	522,818	801,775
INVESTING ACTIVITIES		
Capital improvements, Destination Manitoba	(15,650)	(407,191)
Increase in deferred charge, capital expenditures	(522,818)	(751,775)
Proceeds from sale of equipment	—	33,672
Capital replacements charged to reserve	(159,690)	(292,480)
	(698,158)	(1,417,774)
INCREASE (DECREASE) IN CASH POSITION	(108,351)	259,436
Cash position at beginning of year	657,139	397,703
CASH POSITION AT END OF YEAR	$ 548,788	$ 657,139

Auditor's Report

To the Members of
The Convention Centre Corporation

We have examined the balance sheet of The Convention Centre Corporation as at December 31, 1988 and the statements of revenue and expenditures and surplus, reserve for capital replacements and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1988 and the results of its operations and the changes in its financial position for the year then ended on the basis of accounting described in note 1 to the financial statements applied consistently with that of the preceding year.

Thorne, Ernst & Whinney
Chartered Accountants

Winnipeg, Canada
March 3, 1989

The Convention Centre Corporation
Notes to Financial Statements

Year Ended December 31, 1988

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The accompanying financial statements are prepared in accordance with generally accepted accounting principles with the following exceptions:

(a) Fixed assets funded out of operations are not capitalized.
(b) The Corporation provides a reserve annually out of operations for future major capital replacements.

The construction of The Convention Centre was carried out by the City of Winnipeg. Under Section 9(1) of The Convention Centre Corporation Act, the ownership of The Convention Centre shall, on a date fixed by the Council of the City of Winnipeg, become vested in the Corporation.

2. **DEFERRED CHARGE AND CITY OF WINNIPEG LOAN**

Deferred charge represents major capital expenditures incurred in 1987 and 1988 which were funded by a loan from the City of Winnipeg. The deferred charge is carried at an amount equal to the related loan and will be amortized on the same basis that the loan is being repaid. There was no amortization of deferred charge or loan repayment in 1988.

The City of Winnipeg has approved funding to the Corporation of $2,000,000 of which approximately $725,000 remains available for funding major capital projects over the next three years as approved by the board.

In February 1988, the City of Winnipeg issued 10% debentures due February 2003, of which $800,000 was for purposes of the Corporation. The debentures are retractable at the option of the holder prior to maturity at either February 1993 or February 1998. The City of Winnipeg has yet to establish repayment terms on the $522,818 loan addition in 1988.

Principal due within each of the next five years on the $800,000 debentures assuming no retraction in 1993 is as follows:

1989	$37,074
1990	37,074
1991	37,074
1992	37,074
1993	37,074

Debt service costs will be funded by grants from the City of Winnipeg. During 1988, a grant of $125,000 was received with $74,260 recorded as income to cover debt service costs. The remaining balance of $50,740 will be recorded to income when the applicable expenditures are incurred.

3. **RESERVE FOR CAPITAL REPLACEMENTS**

During the year, capital expenditures approved by the board of $159,690 were incurred and charged to the reserve. The board has also approved capital expenditures of $56,234 for future disbursement.

4. **CAPITAL IMPROVEMENT GRANT, DESTINATION MANITOBA**

The Corporation received a grant from Destination Manitoba to fund 60% of the approved capital costs of eligible projects to a maximum grant of $600,000. To December 31, 1988 costs of $1,026,577 were expended (1988, $15,650: 1987 and prior years, $1,010,927) with revenue of $600,000 recorded in the accounts prior to 1988.

The Corporation may be required to repay any assistance received if it does not comply with the conditions of its agreement with Destination Manitoba. The Corporation expects to comply with all conditions of this agreement.

5. **PENSION PLAN SERVICE CONTRIBUTION**

A surplus of $454,853 existed in the pension plan at December 31, 1987, the most recent actuarial valuation. The board has yet to determine ultimate disposition of this surplus.

Winnipeg Enterprises Corporation

The Winnipeg Enterprises Corporation was incorporated on July 26, 1952, for the purpose of constructing, maintaining and operating, such facilities as now exist, namely the Winnipeg Stadium, Winnipeg Arena and Velodrome. On November 5, 1975, the Corporation was charged with the responsibility of the management and operation of The Highlander Sportsplex facility. The Corporation is carried on without the purpose of gain for its members. Any profits or other accretions to the Corporation are used in promoting its objects and no part of the income of the Corporation is payable to, or otherwise available for the personal benefit of, any member as such of the Corporation. The City of Winnipeg owns all of the lands on which these facilities stand and leases these lands to the Corporation for the sum of $1.00 per year. By virtue of certain agreements entered into between the Corporation and the City, the City is entitled to require the Corporation at any time on thirty days notice to convey to it all facilities and assets, funds, contracts and undertakings of the Corporation as a going concern and to turn over possession thereof to the City or its nominee without receiving any consideration therefor.

The objects of this Corporation are to carry on activities having for their purpose civic improvement, pleasure or recreation and be of a sporting or community character or the like, i.e., build, promote, establish, own, maintain, organize, operate, conduct, and manage an athletic stadium and other buildings and facilities for the conduct of sporting and other activities of all kinds.

The seating capacity of the above mentioned facilities are as follows, namely:

Winnipeg Stadium:	
Football	34,000
Winnipeg Arena	15,500
Velodrome	3,000

The affairs of the Corporation are administered by a Board of Directors consisting of 8 councillors, the Chief Commissioner of The City of Winnipeg and eight members appointed from the citizens at large for 2-year terms.

No person serving as a Director on the Board receives remuneration for their services.

During 1988 the sports facilities accommodated the professional National Hockey League Winnipeg Jets, the Winnipeg Blue Bombers football club, numerous minor league hockey, football, ice shows, curling, circuses, pro-wrestling, concerts, tractor pulls, exhibitions baseball, soccer, car shows and arena cross. Total attendance of all events at the arena, stadium, curling club and velodrome approximated 1.8 million.

Winnipeg Enterprises Corporation
(Incorporated by Special Act of the Province of Manitoba)
Balance Sheet

As at May 31, 1988

Assets

	1988	1987
Current Assets		
Cash on hand and in bank	$ 1,170,173	$ 1,328,242
Accounts receivable	884,977	831,645
Inventory (Note 1)	21,847	57,782
Prepaid expenses	59,268	35,562
Total Current Assets	2,136,265	2,253,231
Deferred Receivable (Note 3)	633,500	671,750
Investment in Jets Hockey Ventures Ltd. (A Limited Partnership)	2,706,599	2,706,599
Fixed Assets - at cost (Note 1)		
The Winnipeg Stadium, Winnipeg Arena, Velodrome, The Highlander Sportsplex and all equipment	30,668,967	28,582,634
	$36,145,331	$34,214,214

Liabilities, Reserves and Surplus

	1988	1987
Current Liabilities		
Accounts payable and accrued charges	$ 1,005,239	$ 375,188
Accrued debenture interest	271,800	236,004
Sinking fund payment due June 15	47,814	47,814
Unearned income	8,583	8,819
Reserves for major improvements	443,003	470,919
Long term debt payments due within one year (Note 5)	808,077	1,188,845
Total Current Liabilities	2,584,516	2,327,589
Long-Term Debt (Note 5)	8,404,030	9,190,644
Contributed Funds	25,110,338	22,482,881
Retained Surplus	46,447	213,100
	$36,145,331	$34,214,214

Winnipeg Enterprises Corporation
Statement of Revenue and Expenses

For the Year Ended May 31, 1988

	1988	1987
Revenue	$4,875,279	$4,674,131
Expenses		
Maintenance and Operating	1,684,034	1,641,900
Administration	610,583	567,110
	2,294,617	2,209,010
Revenue from operations	2,580,662	2,465,121
Interest on long-term debt	1,051,856	922,775
Revenue before appropriations	1,528,806	1,542,346
Appropriations for long term debt and major improvements	1,495,459	1,390,419
Revenue after appropriations	$ 33,347	$ 151,927

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Winnipeg Enterprises Corporation
Statement of Reserves for Major Improvements

For the year ended May 31, 1988

	1988				1987
	Winnipeg Arena and Winnipeg Stadium	The Highlander Velodrome	Sportsplex	Total	Total
Balance, beginning of year	$361,177	$ 75,418	$ 34,324	$470,919	$460,120
ADD:					
Appropriations from Retained surplus	200,000	—	—	200,000	—
Revenue	293,800	6,000	25,000	324,800	392,150
	854,977	81,418	59,324	995,719	852,270
DEDUCT:					
Additions to fixed assets	539,678	—	13,038	552,716	381,351
Balance, end of year	$315,299	$ 81,418	$ 46,286	$443,003	$470,919

Statement of Retained Surplus

For the Year Ended May 31, 1988

	1988	1987
Balance, beginning of year	$ 213,100	$ 61,173
Add:		
Revenue after appropriations	33,347	151,927
	246,447	213,100
Deduct:		
Appropriations for major improvements	200,000	—
Balance, end of year	$ 46,447	$ 213,100

Statement of Changes in Financial Position

For the Year Ended May 31, 1988

	1988	1987
Cash provided by (used for)		
Operations		
Revenue from operations	$2,580,662	$2,465,121
Interest expense	(1,051,856)	(922,775)
Change in non-cash working capital	596,783	21,454
	2,125,589	1,563,800
Financing		
Collection of long-term receivable	35,000	32,000
Long-term debt	—	2,466,000
Principal payments on long-term debt and sinking fund	(1,077,936)	(1,333,103)
	(1,042,936)	(1,164,897)
Investments		
Fixed assets	(2,085,793)	(1,449,928)
City of Winnipeg	845,071	—
	(1,240,722)	(1,449,928)
Increase (decease) in cash position	(158,069)	1,278,769
Cash position, beginning of year	1,328,242	49,473
Cash position, end of year	$1,170,173	$1,328,242

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Chairman and Members of the Board
Winnipeg Enterprises Corporation

We have examined the balance sheet of Winnipeg Enterprises Corporation as at May 31, 1988 and the statements of revenue and expenses, reserves for major improvements, contributed funds and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

These financial statements are presented on the basis of accounting described in Note 1 to the financial statements which differs from generally accepted accounting principles followed in a commercial business.

In our opinion, except for the foregoing, these financial statements present fairly the financial position of the Corporation as at May 31, 1988 and the results of its operations for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Janzen, Knowles & Warkentin
Chartered Accountants

Winnipeg Canada
August 5, 1988

Winnipeg Enterprises Corporation

Notes to The Financial Statements

1. **Accounting Policies**

Basis of Presentation

The accompanying financial statements are prepared in accordance with generally accepted accounting principles with the following exceptions:

a) The Corporation provides an appropriation annually out of operations for:
   i) payments to the sinking fund
   ii) principal payments on debentures
   iii) reserves for major improvements
b) Losses or gains on the disposition of assets are recorded through retained surplus.
c) No depreciation or amortization of fixed assets is recorded in the accounts.
d) The fixed assets of the Velodrome and The Highlander Sportsplex are recorded at cost, offset by amounts included in contributed funds. The Corporation manages and operates these facilities for The City of Winnipeg and is required to pay to The City of Winnipeg any surplus on each of their operations, less provisions to their respective reserves for major improvements. Deficits are recoverable from The City of Winnipeg.
e) Fixed assets purchased out of the reserves for major improvements are capitalized and credited to contributed funds.
f) Inventory is stated at the lower of cost or net realizable value calculated on a first in, first out basis.

2. **Leaseholds**

The land upon which the arena and stadium are situated is leased from The City of Winnipeg under an agreement which contains provisions for termination. The agreement expires on December 31, 2002.

3. **Deferred Receivable**

	1988	1987
The City of Winnipeg 1978 stadium expansion - see Note 5	$ 671,750	$ 706,750
Less: Due within one year	38,250	35,000
	$ 633,500	$ 671,750

4. **Investment in Jets Hockey Ventures Ltd. (A Limited Partnership)**

On June 18, 1985 the Corporation acquired a 36% interest in the outstanding partnership units of Jets Hockey Ventures Ltd. (A limited Partnership). The investment is carried in the Corporation's accounts at cost.

5. Long-Term Debt

Debentures	1988	1987
8.5% sinking fund debentures, issued in 1972 for stadium expansion, requiring sinking fund payments of $47,814 annually through 1992	$1,500,000	$1,500,000
Less sinking fund on deposit (including deposit due June 15, 1988)	1,085,049	992,511
	414,951	507,489
Debentures issued in 1978 for stadium expansion, requiring annual principal repayments each December 1, increasing from $71,000 in 1979 to $366,000 in 1998, and bearing interest at rates varying from 8 1/2% to 9 1/2%, for an average rate of 9 3/8%	2,687,000	2,827,000
Debentures issued in 1979 for arena expansion, requiring annual principal repayments of $303,000 each July 15 from 1980 to 1987 inclusive, and bearing interest at 10 1/4%	—	601,000
Debentures issued in 1981 for arena expansion, phase III, requiring annual principal repayments each April 1, increasing from $90,000 in 1982 to $294,000 in 1991, and bearing interest at 14%	779,000	978,000
Debentures issued in 1987 for stadium renovations and improvements, requiring annual principal repayments each September 1, increasing from $152,000 in 1987 to $368,000 in 1997 and bearing interest at 10.4%	2,466,000	2,466,000
	6,346,951	7,379,489
Less debenture principal due within one year	658,000	1,054,000
	5,688,951	6,325,489
Bank Loans		
For the purchase of a partnership interest in Jets Hockey Ventures Ltd. (A Limited Partnership) and the Select-A-Seat computer system - a fixed rate loan with interest calculated at 10.75% repayable in monthly instalments of $37,569 including interest	2,865,156	3,000,000
Less loan payments due within one year	150,077	134,845
	2,715,079	2,865,155
	$8,404,030	$9,190,644

All debentures are guaranteed as to principal and interest by The City of Winnipeg. In addition, with respect to the debentures issued in 1978, the City has agreed to pay to the Corporation by way of a grant, annually during the 20 years the debentures are outstanding, an amount sufficient to cover the debt service cost of $900,000 of the total issue of $3,600,000. The principal and interest repayments approximate $400,000 per annum, the City's annual contribution thus approximating $100,000.

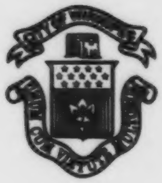
The bank loans are not secured in any manner other than by giving the bank a letter of undertaking not to encumber any fixed assets without the bank's prior consent.

The approximate annual principal payments the next five years are as follows:

1989	$722,638
1990	749,177
1991	835,181
1992	595,013
1993	647,650

PADDLEWHEEL QUEEN

Downtown Winnipeg as viewed from the South across the Red River (© Henry Kalen Ltd.)



Pension Funds

Employee Benefits Program — The City of Winnipeg

Effective the first pay period of 1976, a new Benefits Program providing pension and life insurance benefits was established for all employees of the City of Winnipeg other than employees of the Police Sector. A separate plan has been established for employees in the Police Sector.

Each employee of the City who is a member of an existing municipal pension plan was given the choice of continuing to accumulate benefits under the existing plan or of joining the new Benefits Program. All new employees become members of the new Program when they complete the eligibility requirements.

The new Employee Benefits Program is administered by an Employee Benefits Board of 11 persons and is comprised of five representatives of the members of the Program; an equal number of representatives appointed by City Council, at least two of which are members of Council and the others senior civic administrators or citizens experienced in the operation of other employee benefit programs; and the Commissioner of Finance or his designate who is a member of the Program.

Employees contribute 6½% of C.P.P. earnings plus 7½% of earnings in excess of C.P.P. earnings. The City contributes the amount required each year over and above the employees' contributions to provide the benefits expected to accumulate each year. The City's contribution is at least equal to the employees' required contributions.

The plan provides for optional retirement after five years of service and age 55, or 30 years of service. The pension formula is equal to 1.4% of average C.P.P. earnings for highest 6 of the final 10 years plus 2% of average earnings in excess of C.P.P. earnings for the same period, multiplied by the number of years of credited service after the date the Program is implemented.

Disability pensions are based on credited service at time of disability plus service to age 65, payable to employees who are totally or partially disabled. If the employee is totally disabled the pension from this Program plus pensions payable from a prior municipal plan and Canada Pension Plan will equal at least 60% of salary at date of disablement. Pensions are also payable to the survivors of employees who die prior to, or after retirement.

Pension Funds of Former Area Municipalities

CIVIC PENSION FUND OF THE FORMER CITY OF WINNIPEG

Until 1920 the City had no comprehensive pension scheme. The By-law in force at that time provided for the payment of certain pensions, but these were on a non-contributory basis. It was considered that a contributory scheme would be much sounder and should be inaugurated. By-law No. 10020 was accordingly passed in 1920 setting up a pension fund on a contributory basis. All matters arising out of this By-law were dealt with by a Committee of Council with the exception of the investments which were under the control of the Sinking Fund Trustees.

In 1936 By-law No. 14813 was passed and provided that in place of a Committee of Council administering the Fund, a Pension Board be constituted comprising five members—two Councillors appointed by Council, two elected representatives of the employees and a member of the Civic Pension Fund delegated by the Commissioner of Finance—and that the investment of the Fund continue to be under the control of the Sinking Fund Trustees.

On December 3, 1975, City Council passed By-law No. 1125/75 establishing the new "Employee Benefits Program" and contributors to the Civic Pension Plan were given the opportunity of joining the new program. Police Officers represented by the Winnipeg Police Association and by the Senior Police Officers Association elected to remain in the Police Sector of the Civic Pension Plan. Of the balance of contributors only 69 elected to continue to contribute to the Civic Pension Plan. As of December 31, 1987 there were 21 employees contributing to the Civic Pension Plan.

On December 17, 1980, Council passed By-law 2819/80 making the Civic Pension Plan benefits compatible with those of the Employee Benefits Program, with no significant effect on the liabilities of the Civic Pension Fund.

NEW POLICE PENSION FUND

On December 20, 1978, City Council passed By-Law No. 2148/78 establishing the new "Winnipeg Police Pension Plan." The provisions of the By-Law were retroactive to December 21, 1975. All police employees who were members of a prior municipal pension plan were required to become members of this Plan. All new police employees become members of this Plan when they complete the eligibility requirements. This Plan is presently being administered by the Police Pension Board which consist of 7 members - two appointed by Winnipeg Police Association - 1 member appointed by Winnipeg Senior Officers Association and 4 representatives appointed by the City.

Police employees contribute 7.305% of earnings. The City contributes the amount which is necessary each year, over and above the contributions required to be made by Contributing Members, to provide the benefits which are accumulated as a result of Service during that year. The Plan provides for retirement at age 60 and optional retirement after 25 years of credited service or at age 55 or older.

The pension formula for a retired employee age 65 or older is 1.4% of average Canada Pension Plan in the 60 consecutive months in which earnings are the highest, plus 2% of average earnings in excess of Canada Pension Plan earnings for the same period, multiplied by the number of years of credited service. While a retired employee is under age 65, 2% is substituted for 1.4% in determining the amount of pension payable.

METROPOLITAN CORPORATION OF GREATER WINNIPEG

This Pension Plan was established by By-Law #219 in 1962, but with retroactive provisions to January 1, 1961, the commencement date of the Metropolitan Corporation. The nucleus of the plan was the pension plan of the Greater Winnipeg Transit Commission. This in turn was an offshoot of a pension plan established in 1950 by the Winnipeg Electric Company. Provision was made in the Metro plan for employees transferred from area municipalities, or from predecessor organizations and who were members of pension plans of their former employers, to transfer to the Metro plan, or remain in their former plan, at their option. Funds of this plan are administered by Canada Trust.

Under the provisions of The City of Winnipeg Act which became effective on January 1, 1972, the Metro Employees' Pension Plan became the responsibility of the new City. On March 5, 1981, Council passed By-law 2859/81 making the Metro Employee's Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on the liabilities of the Metro Pension Fund.

ST. BONIFACE

The former City of St. Boniface provided a non-contributory retirement pension of $1.00 per month per year of service to its retired employees until 1947. In 1947 tne City entered into a pension agreement with the Annuities Branch of the Federal Government and offered an alternate contributory plan to its employees. The plan would provide a pension of $75.00 a month to the older permanent employees and $100.00 a month to the younger employees and all future employees, with the restriction that new employees entering the service at age 41 or older would not qualify for pension benefits. The contribution to the plan was a fixed amount and did not vary for the individual from the date of entry into the plan until retirement.

The rigidity of the above plan and the fixed maximum benefit that could be derived, proved unsatisfactory, and in 1957 the City negotiated a career earnings plan for its employees with Great-West Life. A unit of pension was purchased each year for each employee equivalent to 1½% of his annual salary with the employee contribution 5% of salary and the City contributing the premium required to purchase the unit.

On January 1st, 1971, after negotiating with employee groups, the City of St. Boniface agreed to convert the plan from a career earnings plan to a final earnings self-administered plan subject to the employees waiving all rights in the former plan and releasing Great-West Life from the liability of guaranteeing pensions after their retirement. The assets of the former plan were transferred to the control of a Civic Pension Committee which is composed of a) A Councillor the the Community of St. Boniface, b) a citizen appointee recommended by the Community of St. Boniface, and c) a designate of the Commissioner of Finance who is a contributor to the Plan. The new plan provides a pension which is a percentage of the average best ten years of service of the employee and the percentage is 1¼% of his final average annual Canada Pension Plan earning and 1¾% of his final average annual non-Canada Pension Plan earnings. The normal retirement of the employee is age 65, but he may retire on the first day of any month prior to his normal retirement if he has completed 30 years of service and is age 60 or older. On the basis of qualified actuarial advice the City will contribute annually into the fund, the amount necessary over and above the member's contributions to provide the benefits earned under the Plan during the year.

On December 17, 1980, Council passed By-law 2819/80 making the St. Boniface Employees' Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on the liabilities of the St. Boniface Pension Fund.

ST. JAMES-ASSINIBOIA

On May 1, 1951 the City of St. James established a Pension Plan for its employees by entering into a group annuity contract issued by Great-West Life.

On January 1, 1962 the Rural Municipality of Assiniboia established a Pension Plan for its employees by entering into a contract with Manufacturers Life.

In 1971 the council of the former City of St. James-Assiniboia agreed to convert the Pension Plan for the employees of the City from a Group Annuity Policy issued by Great-West Life to a Group Deposit Administration Contract issued by Great-West Life. The new Contract was signed September 1972. All of the former City of St. James employees agreed to transfer to the new plan whereas the majority of the R.M. of Assiniboia employees decided to continue on with Manufacturers Life.

On December 17, 1980, Council passed by-law 2819/80 making the St. James-Assiniboia Pension Plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of the pension fund.

FORT GARRY

In 1948, the former Rural Municipality of Fort Garry entered into a pension agreement with the Annuities Branch of the Federal Government to provide the employees of the former Municipality with pensions of up to $100 per month on retirement.

In 1959, the former Municipality introduced a career earnings pension plan for its employees, funded through a group annuity policy issued by Great-West Life.

In 1971, the pension benefits earned for service completed prior to that year were significantly increased as was the rate at which the employees would accumulate pension in respect of future service. At the same time, the group annuity policy was converted to a deposit administration policy.

On December 17, 1980, Council passed By-law 2819/80 making the Fort Garry employees pension plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of the pension fund.

TRANSCONA PENSION PLAN

The Employee Benefits Board at its meeting held on December 11, 1987, agreed to convert the Transcona GP 1682 annuity contract with Manufacturers Life to a deposit administration contract.

OTHER FORMER AREA MUNICIPALITIES AND MONEY PURCHASE PLAN

All the other former area municipalities had established pension plans for their employees. The pensions provided under these plans are determined in accordance with one of the following methods:

a) The pension which can be provided by the accumulated value of the contributions made by the employee and by the employer on his behalf

b) A pension which is based on a percentage of the employee's earnings while he is a member of the Plan.

On December 17, 1980, Council passed By-law 2819/80 referred to as money purchase plan, making the former area municipalities pension plan benefits compatible with those of the Employee Benefits Program with no significant effect on liabilities of those pension funds.

COUNCIL MEMBERS' PENSION FUND OF THE FORMER CITY OF WINNIPEG

City Council on November 3, 1969 passed By-law No. 19713 which provided for the establishment of a pension fund for Members of Council effective November 1, 1969. The plan was voluntary for persons who were Members of Council on the effective date and compulsory for Members who were elected to Council thereafter. The Council of the new City of Winnipeg by motion passed at a meeting held on February 16, 1972 discontinued the plan effective January 1, 1972 except for pensions payable to former Councillors who were already receiving pensions and Councillors who had qualified for pensions under the terms of the By-law prior to discontinuance of the Plan.

At present 6 former members of Council and 4 widows of former members are receiving pensions.

PENSION PLAN AND GROUP INSURANCE PLAN FOR MEMBERS OF COUNCIL

By-law 3553/83 and By-law 3689/84 being By-laws of the City of Winnipeg to provide for a Pension Plan and Group Life Insurance Plan for Members of Council of the City of Winnipeg became effective August 17, 1983.

The City of Winnipeg
Employee Benefits Program Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Investments (Notes 1a-c)	$594,193,132	$574,455,141	504,821,283
Cash in Bank		53,312	27,805
Accounts Receivable		757,461	413,990
Due from Other Funds		809,282	1,379,753
		1,620,055	1,821,548
		$576,075,196	$506,642,831

Liabilities

	1988	1987
Employees' Pension Reserve—Regular	$470,168,892	$413,766,319
—Supplementary	67,801,474	60,803,238
—Firefighters Supplementary	29,142,433	6,505,962
—Designated Supplementary	7,865,222	24,625,088
	574,978,021	505,700,607
Accounts Payable	1,097,175	942,224
	$576,075,196	$506,642,831

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of the Employee Benefits Program Pension Fund as at December 31, 1988 and the statements of income and expenditures and of changes in reserve for the Regular and Supplementary Pension Funds for the year then ended. My examination of the financial statements was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Employee Benefits Program Pension Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with the accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

LE Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

The City of Winnipeg
Employee Benefits Program Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	REGULAR PENSION FUND		SUPPLEMENTARY PENSION FUND		DESIGNATED EMPLOYEE'S SUPPLEMENTARY BENEFITS FUND		FIREFIGHTERS SUPPLEMENTARY PENSION FUND	
Income	1988	1987	1988	1987	1988	1987	1988	1987
Contributions —								
The City of Winnipeg (Note 3)	$ 15,798,176	$ 14,409,781	$ 2,764,754	$ 2,537,536	$ 6,229,629	$ 6,198,824	$ 1,629,647	$ 1,627,153
Employees	16,002,977	14,587,921	2,813,638	2,547,335	108,633	211,916	7,975	8,438
	31,801,153	28,997,702	5,578,392	5,084,871	6,338,262	6,410,740	1,637,622	1,635,591
Investment Revenue (Note 1d, e)	38,736,117	32,789,743	6,782,235	5,741,095	2,017,725	1,533,292	540,492	398,612
Net Gain on Sale of Securities	1,869,477	17,060,887	327,323	2,987,159	97,705	797,524	26,173	207,333
Recoveries (Note 1f)	341,545	331,286	—	—	—	—	—	—
	72,748,292	79,179,618	12,687,950	13,813,125	8,453,692	8,741,556	2,204,287	2,241,536
Expenditures								
Administration (Note 1g)	1,084,119	1,002,884	130,016	117,589	58,270	78,646	7,872	13,544
Investment Management Fees (Note 1d)	772,016	810,266	135,171	141,868	40,900	37,053	10,956	9,633
Pension Payments	11,761,439	9,496,818	5,002,500	4,005,072	3,914,568	3,228,905	846,648	630,101
Contributions and Interest Refunded	2,600,904	2,037,620	422,027	316,637	29,401	28,597	—	—
	16,218,478	13,347,588	5,689,714	4,581,166	4,043,139	3,373,201	865,476	653,278
Net Income	$ 56,529,814	$ 65,832,030	$ 6,998,236	$ 9,231,959	$ 4,410,553	$ 5,368,355	$ 1,338,811	$ 1,588,258

Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987	1988	1987	1988	1987	1988	1987
Opening Balance	$413,766,319	$348,058,055	$ 60,803,238	$ 51,571,279	$24,625,088	$19,152,821	$ 6,505,962	$ 4,897,850
ADD: Net Income	56,529,814	65,832,030	6,998,236	9,231,959	4,410,553	5,368,355	1,338,811	1,588,258
Transfer (Note 2)	—	—	—	—	106,792	103,912	20,449	19,854
DEDUCT: Transfer (Note 2)	127,241	123,766	—	—	—	—	—	—
Closing Balance	$470,168,892	$413,766,319	$ 67,801,474	$60,803,238	$29,142,433	$24,625,088	$ 7,865,222	$6,505,962

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Employee Benefits Program Pension Fund
Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**
   a) The equity funds are recorded at cost.
   b) Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of these investments are written off to the income account in the year of purchase.
   c) Bond residues and coupons are carried at cost plus accrued income. Income is calculated by multiplying the book value of the investments by the effective yield of the investment.
   d) Investment income and expenses are allocated between Regular and Supplementary Pension Reserve accounts on the basis of contributions received by each fund.
   e) Investment revenue in the Firefighters and Designated Employees' Supplementary account is determined by applying the gross rate of return to the average reserve balances.
   f) Recoveries are those administration costs incurred for prior plans.
   g) Internal administration costs are apportioned to each of the funds.
   h) The funds follow the accrual method of accounting.

2. By-law #4064/85 provides for a transfer of funds from the Regular Funds to the Designated Employees' and Firefighters' Supplementary Funds as a result of changing the average from a 7 to 6 year average for service from January 1, 1972 to present.

3. The actuarial report prepared as at December 31, 1985, stated that the regular account has a surplus of $19,325,000 and that the Supplementary Account had a surplus of $7,860,000. The Firefighters and Designated Employees Supplementary Account have an unfunded liability of $9,227,000 for Firefighters and $41,628,000 for Designated Employees. These unfunded liabilities must be paid by The City of Winnipeg in the amount of $1,544,000 per year until 1990 for Firefighters and $5,172,000 per year until 1990 for Designated Employees. From 1991 to December 21, 2000 the payment will reduce to $754,000 for Firefighters and to $4,999,000 for Designated Employees. The City is also required to contribute towards current service cost. The past service and current service cost for both accounts during 1988 and 1987 was $7,859,276 and $7,825,977 respectively.

4. Section 11A(d) of the Employee Benefits Program By-law allows that where an amount is transferred to another Registered Plan in respect of a Member's Spouse because of a marriage breakup, the member may elect to contribute an equal amount to the Plan within one year of the date on which the transfer is made.

5. The Miscellaneous Assets category are shares of the Laird Group Inc. that are registered in the name of the Employee Benefits Board of the City of Winnipeg and held in trust for the Board by the Sinking Fund Trustees. These shares were part of the Bolton Tremblay account, but they were not sold when the account was liquidated.

6. The rate of return on investments was as follows:

	1988	1987
Investment Revenue	8.88%	8.69%
Net Gain on Sale of Securities	.43	4.52
	9.31%	13.21%
Less Investment Fees	.18	.21
Net	9.13%	13.00%

The City of Winnipeg
Employees Group Insurance Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets with The Sinking Fund Trustees As per Schedule 1 (Note 1)	$13,761,716	$13,712,666	10,253,049
Due from Employee Benefits Program Pension Fund		122,597	—
Accounts Receivable		—	115,674
		$13,835,263	$10,368,723

Liabilities

Employee Benefits Program Insurance Reserve (Note 2)	$12,543,294	$9,332,507
Police Employees Insurance Reserve (Note 2)	1,291,969	892,650
Due to Employee Benefits Program Pension Fund	—	26,625
Accounts Payable		
Prepaid Insurance Contributions (Note 1B)	—	111,547
Miscellaneous	—	5,394
	$13,835,263	$10,368,723

Statement of Income and Expenditures

For The Year Ended December 31, 1988

Income		
Contributions		
The City of Winnipeg	$1,580,058	$1,514,623
Employees — Regular	1,603,794	1,526,192
— Additional	241,202	269,180
Pensioners	111,122	92,141
Other	14,583	8,510
	3,550,759	3,410,646
Investment Revenue	1,050,613	914,757
	4,601,372	4,325,403
Expenditures		
Premiums — Regular	2,324,032	2,359,761
— Additional	229,142	255,904
— Pensioners	767,673	639,638
	3,320,847	3,255,303
Investment Fees	4,579	1,732
Administration Expenses	67,823	94,943
Contributions Refunded	—	1,523
	3,393,249	3,353,501
Net Income	$1,208,123	$ 971,902

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Employees Group Insurance
Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 9,332,507	$8,302,589
ADD: Net Income	1,208,123	971,902
Experience Gain (Note 2)	1,967,720	58,016
Transfer from the Prepaid Insurance Reserve (Note 1B)	34,944	—
Closing Balance	$12,543,294	$9,332,507

Police Employees Group Insurance
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	1988	1987
Income		
Contributions		
The City of Winnipeg	$ 97,926	$ 91,511
Employees — Regular	250,924	244,286
— Additional (Note 3)	6,300	—
Pensioners	6,983	2,515
	362,133	338,312
Investment Revenue	109,004	87,717
	471,137	426,029
Expenditures		
Premiums:		
- Regular	264,983	262,227
- Additional (Note 3)	5,985	—
- Pensioners	17,864	7,193
	288,832	269,420
Investment Fees	475	166
Administration Expenses	7,037	9,104
	296,344	278,690
Net Income	$ 174,793	$ 147,339

Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 892,650	$ 745,311
ADD: Net Income	174,793	147,339
Experience Gain (Note 2)	224,526	—
Closing Balance	$ 1,291,969	$ 892,650

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board and Police Pension Board
The City of Winnipeg

I have examined the balance sheet of the City of Winnipeg Employees Group Insurance Fund as at December 31, 1988 and the statements of income and expenditures and changes in reserve for the year then ended. My examination of these financial statements was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Group Insurance Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with accounting policies stated in the notes to the financial statements, applied on a basis consistent with that of the preceding year.

LG Marks
Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

Notes to the Financial Statements

1. **Significant Accounting Policies.**
   a) Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the revenue account in the year of purchase. When investments are sold or mature, the difference between carrying value and proceeds is written off or credited to the revenue account at that time.
   b) Prepaid Insurance Contributions represent contributions by temporary employees and the City to provide coverage during lay-offs. Prepaid Insurance was eliminated at the end of 1987. During 1988 $76,602.67 was refunded to employees and the balance of $34,943.87 was transferred to the Employee Benefits Program Insurance Reserve.
2. The Group Insurance Reserve Accounts represents reserves to finance a portion of the cost of the post-retirement insurance expected to be provided in the future to the present members of the Group Life Insurance Plans.

   The Group Insurance Reserves are the excess of contributions and interest earned over insurance policy premiums and administrative expenses. The Reserves also include experience gains which consist of the excess of premiums over claims paid for 1987 and prior years.
3. Group insurance contributions and premiums for additional insurance for Police Employees have been identified seperately since April 24, 1988. For 1987 and January 1, 1988 to April 23, 1988 the contributions and premiums for additional insurance were included with the regular amounts.
4. The Actuarial Report prepared as at December 31, 1985 disclosed actuarial shortfalls of $2,860,000 in the Employee Benefits Program Reserve and $238,000 in the Police Employees Reserve. The Report stated that if the contribution rates are maintained at their current levels these shortfalls will be fully amortized by 1996 for the Employee Benefits Program Reserve and by 1993 for the Police Employees Reserve.
5. The Rate of Return on Investments.

	1988	1987
Investment Revenue	9.68%	10.26%
LESS Investment Fees	.04	.02
NET	9.64%	10.24%

The City of Winnipeg
Civic Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets with Sinking Fund Trustees			
(Note 1 a & b) Schedule I	$132,322,335	$127,451,779	$130,733,926
Short Term Investments	12,100,000	12,100,000	6,025,000
Accrued Interest	1,323,899	1,323,899	1,074,076
Cash in Bank	99,242	99,242	370,252
	145,845,476	140,974,920	138,203,254
Assets with Great West Life			
Transaction Account	12,556	12,556	6,519
	$145,858,032	$140,987,476	$138,209,773

Liabilities

	1988	1987
Employees' Pension Reserve	$140,880,873	$138,003,944
Due to Employee Benefits Program Pension Fund	106,603	205,829
	$140,987,476	$138,209,773

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Civic Pension Board

I have examined the balance sheet of the Civic Pension Fund as at December 31, 1988 and the statement of income and expenditures and changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Civic Pension Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with the policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

LE Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

The City of Winnipeg
Civic Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	1988	1987
Income		
Contributions		
The City of Winnipeg	$ 30,071	$ 33,909
Employees		
Regular	30,071	33,909
Repayment of Transferred Contributions (Note 2)	3,264	9,317
	63,406	77,135
Investment Revenue	11,850,019	11,497,936
Net Gain on Sale of Securities	831,389	4,824,183
	12,744,814	16,399,254
Expenditures		
Administration	109,530	129,841
Investment Fees	281,909	318,104
Pension Payments	9,398,975	8,302,939
Contributions and Interest Refunded	77,471	86,991
	9,867,885	8,837,875
NET INCOME	$ 2,876,929	$ 7,561,379

Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$138,003,944	$130,442,565
ADD: Net Income	2,876,929	7,561,379
Closing Balance	$140,880,873	$138,003,944

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase.
   b. Bond residues and coupons are carried at cost plus accrued income. Income is recognized at the effective yield rate on these investments.
   c. The fund follows the accrual method of accounting.
2. Section 11A(d) of By-law No. 2819/80 allows that where an amount is transferred to another Registered Plan in respect of a Member's Spouse because of a marriage breakup, the Member may elect to contribute an equal amount to the Plan within one year of the date on which the transfer is made.
3. The Actuarial report prepared as at December 31, 1985 disclosed that there was no actuarial surplus or unfunded liability.
4. The rate of return on investments:

	1988	1987
Investment Revenue	8.50%	8.53%
Net Gain on Sale of Securities	.60	3.58
	9.10	12.11
LESS Investment Fees	.21	.24
Net	8.89%	11.87%

The City of Winnipeg
Winnipeg Police Pension Fund
By-Law 2148/78
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets with The Sinking Fund Trustees (Note 1 a & b) Schedule I	$137,481,459	$131,388,913	$120,943,609
Short Term Investments	10,500,000	10,500,000	7,325,000
Accrued Interest	1,642,545	1,642,545	1,210,964
Cash in Bank	111,590	111,590	46,330
	149,735,594	143,643,048	129,525,903
Assets with Great West Life Transaction Account & Money Market Fund	221,849	221,849	283,056
Assets with Citadel Life Money Market Fund	352,225	352,225	325,742
Assets with North American Life Deposit Fund	184,329	184,329	165,103
Assets with Manufacturers Life	199,789	199,789	181,626
	$150,693,786	$144,601,240	$130,481,430

Liabilities

Employees' Pension Reserve - Regular	$136,385,171	$123,077,975
- Supplementary	8,172,776	7,023,967
	144,557,947	130,101,942
Due to Employee Benefits Program Pension Fund	43,293	379,488
	$144,601,240	$130,481,430

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Police Pension Board

I have examined the balance sheet of the Winnipeg Police Pension Fund, By-Law 2148/78 as at December 31, 1988 and the statement of income and expenditures and changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of the Winnipeg Police Pension Fund, By-Law 2148/78 as at December 31, 1988 and the results of its operations for the year then ended in accordance with accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

LE Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

The City of Winnipeg
Winnipeg Police Pension Fund
By-Law 2148/78
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	Regular Pension Fund		Supplementary Pension Fund	
	1988	1987	1988	1987
Income				
Contributions—				
The City of Winnipeg (Note 2)	$ 4,004,199	$ 3,785,181	$ 372,198	$ 345,888
Employees				
— Regular	3,357,342	3,188,853	375,005	349,242
— Voluntary	17,065	21,690	—	—
— Repayment of Transferred Contributions (Note 3)	26,558	—	2,014	—
	7,405,164	6,995,724	749,217	695,130
Investment Revenue (Note 1d. and 5)	11,383,686	10,097,964	675,303	531,141
Net Gain on Sale of Securities	322,518	4,058,404	19,133	213,426
	19,111,368	21,152,092	1,443,653	1,439,697
Expenditures				
Administration	101,414	95,463	6,016	11,081
Investment Fees	271,125	284,954	16,083	14,998
Pension Payments	4,706,023	3,537,502	234,746	90,469
Contributions and Interest Refunded	725,610	248,494	37,999	28,208
	5,804,172	4,166,413	294,844	144,756
NET INCOME	$ 13,307,196	$16,985,679	$1,148,809	$1,294,941

Statement of Changes in Reserve

For the Year Ended December 31, 1988

Opening Balance	$123,077,975	$105,910,670	$7,023,967	$5,729,026
ADD - Net Income	13,307,196	16,985,679	1,148,809	1,294,941
- Conversion of Assiniboia Annuity Contract	—	181,626	—	—
Closing Balance	$136,385,171	$123,077,975	$8,172,776	$7,023,967

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The City of Winnipeg
Winnipeg Police Pension Fund
By-Law 2148/78
Notes to the Financial Statements

December 31, 1988

1. **Significant Accounting Policies**
   a) Fixed income investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase.
   b) Bond residue and coupons are carried at cost plus income. Income is calculated by multiplying the book value of the investment by the effective yield of the investment.
   c) The fund follows the accrual method of accounting.
   d) Investment revenue is allocated between Regular and Supplementary Pension Reserve accounts on the basis of reserve balances.

2. The Actuarial report prepared as at January 1, 1987 disclosed that there was an unfunded actuarial liability in the Regular Pension Account amounting to $7,277,000.00. In keeping with the Actuary's recommendation, on December 31, 1988 the City of Winnipeg paid $878,700.00 towards this unfunded liability. Similar payments of $878,700 are required each December 31st, up to and including the year 2001.

   The City of Winnipeg is also required to pay 96% of the employees' required contributions to the Regular Account and 100% of the employees' required contributions to the Supplementary Account.

3. Section 11A(4) of the Police Pension Plan By-law allows that where an amount is transferred to another Registered Plan in respect of a Member's Spouse because of a marriage breakup, the member may elect to contribute an equal amount to the Plan within one year of the date on which the transfer is made.

4. A Police Supplementary Fund was established January 1, 1980 to provide for cost of living increases.

5. The rate of return on investments is as follows:

		1988	1987
Investment Revenue		8.77%	8.76%
Net Gain on Sale of Securities		.25	3.52
		9.02	12.28
LESS	Investment Fees	.22	.25
Net		8.80%	12.03%

The City of Winnipeg
Metro Employees' Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets with Canada Trust Investment Counsel Inc.			
Per Schedule I (Note 1)	$90,388,868	$85,299,303	$84,915,061
Accrued Income	982,650	982,650	1,189,658
	$91,371,518	$86,281,953	$86,104,719
Accounts Receivable		3,744	204
		$86,285,697	$86,104,923

Liabilities

	1988	1987
Employees' Pension Reserve	$85,727,120	$85,466,670
Due to Employee Benefits Program Pension Fund	530,038	613,432
Accounts Payable	28,539	24,821
	$86,285,697	$86,104,923

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Metro Employees' Retirement Committee

I have examined the balance sheet of The City of Winnipeg, Metro Employees' Pension Fund as at December 31, 1988 and the statements of income and expenditures and of changes in reserve account for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, Metro Employees' Pension Fund as at December 31, 1988 and the results of its operations for the year then ended, in accordance with accounting policies as stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

LE Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

The City of Winnipeg
Metro Employees' Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	1988	1987
Income		
Contributions		
The City of Winnipeg	$ 12,569	$ 11,491
Employees	12,569	11,492
Repayment of Transferred Contributions (Note 2)	13,337	—
	$ 38,475	$ 22,983
Investment Revenue	6,063,544	5,274,429
Net Gain/(Loss) on Sale of Securities	(1,651,824)	6,817,272
	4,450,195	12,114,684
Expenditures		
Administration	60,916	76,650
Investment Fees	161,425	147,440
Pension Payments	3,923,813	3,447,909
Contributions and Interest Refunded	43,591	56,628
	4,189,745	3,728,627
NET INCOME	$ 260,450	$ 8,386,057

Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$85,466,670	$77,080,613
ADD: Net Income	260,450	8,386,057
Closing Balance	$85,727,120	$85,466,670

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. Investments are recorded at cost.
   b. The fund follows the accrual method of accounting.
2. Section 12A (4) of The Metro Pension Plan By-law allows that where an amount is transferred to another Registered Plan in respect of a Member's Spouse because of a marriage breakup, the member may elect to contribute an equal amount to the Plan within one year of the date on which the transfer is made.
3. The actuarial report prepared as at December 31, 1985 disclosed an actuarial surplus of $7,383,000.
4. The rate of return on investments was as follows:

	1988	1987
Investment Revenue	7.03%	6.44%
Net Gain/Loss on Sale of Securities	(1.92)	8.32
	5.11	14.76
LESS: Investment Fees	.19	.18
Net	4.92%	14.58%

The City of Winnipeg
St. Boniface Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets with Great-West Life (Note 1)			
Mortgage Fund	$2,440,950	$2,418,571	$2,424,185
Canadian Equity Fund	2,043,163	2,043,163	1,296,933
U.S. Equity Fund	—	—	557,489
Real Estate Fund	232,559	232,559	326,895
Bond Fund	3,532,254	3,655,728	3,327,194
Transaction Account	12,387	12,387	8,581
	$8,261,313	$8,362,408	$7,941,277

Liabilities

	1988	1987
Employees' Pension Reserve	$8,267,465	$7,873,058
Due to Employee Benefits Board	94,943	68,219
	$8,362,408	$7,941,277

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
St. Boniface Pension Committee

I have examined the balance sheet of The City of Winnipeg, St. Boniface Pension Fund as at December 31, 1988 and the statement of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg,St. Boniface Pension Fund as at December 31, 1988 and the results of its operations for the year then ended, in accordance with the accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

LE Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

The City of Winnipeg
St. Boniface Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	1988	1987
Income		
Investment Revenue	$ 773,034	$ 647,585
Gain on Sale of Securities	4,105	1,473
	777,139	649,058
Expenditures		
Administration	7,033	8,083
Investment Fees	24,617	23,891
Pension Payments	349,634	280,939
Contributions and Interest Refunded	1,448	1,290
	382,732	314,203
Net Income	$ 394,407	$ 334,855

Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$7,873,058	$7,538,203
ADD - Net Income	394,407	334,855
Closing Balance	$8,267,465	$7,873,058

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage Fund and the Bond Fund are recorded at cost. The Money Market Fund, Canadian & U.S. Equity Fund and Real Estate Fund are recorded at cost with adjustment to reflect market value. Gains in market value which were taken into investment income totalled $176,067 for 1988 as compared to $91,492 in 1987. The Transaction Account records cash transfers, revenue and operating expenses by Great-West Life.
   b . The fund follows the accrual method of accounting.
2. An actuarial report prepared as at December 31, 1985 disclosed that there is no actuarial unfunded liability or acturial surplus.
3. The rate of return on investments was as follows:

		1988	1987
Investment Revenue		9.48%	8.30%
Gain on Sale of Securities		.05	.02
		9.53	8.32
LESS	Investment Fees	.30	.31
NET		9.23%	8.01%

The City of Winnipeg
St. James-Assiniboia Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets in Trust with Great-West Life (Note 1)			
Mortgage Fund	$ 848,590	$ 840,207	$1,037,450
Real Estate Fund	295,988	295,988	514,687
Canadian Equity Fund	2,970,790	2,970,790	2,132,175
U.S. Equity Fund	—	—	854,064
Bond Fund	6,432,335	6,503,905	5,524,028
Transaction Account	3,924	3,924	14,703
	$10,551,627	$10,614,814	$10,077,107
Accounts Receivable		2,701	212
		$10,617,515	$10,077,319

Liabilities

	1988	1987
Employees' Pension Reserve	$10,546,241	$9,999,044
Due to Employee Benefits Program Pension Fund	71,274	78,275
	$10,617,515	$10,077,319

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
St. James-Assiniboia Pension Committee

I have examined the balance sheet of The City of Winnipeg, St. James-Assiniboia Pension Fund as at December 31, 1988 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, St. James-Assiniboia Pension Fund as at December 31, 1988 and the results of its operations for the year then ended, in accordance with the accounting policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

LG Marks
Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

The City of Winnipeg
St. James-Assiniboia Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	1988	1987
Income		
Contributions		
The City of Winnipeg	$ 9,063	$ 8,972
Employees	9,063	8,973
Repayment of Transferred Contributions (Note 2)	18,007	—
	36,133	17,945
Investment Revenue	965,243	769,750
Gain on Sale of Securities	5,913	5,327
	1,007,289	793,022
Expenditures		
Administration	9,920	10,969
Investment Fees	24,290	24,846
Pension Payments	402,794	356,126
Contributions and Interest Refunded	23,088	14,871
	460,092	406,812
Net Income	$ 547,197	$ 386,210

Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$9,999,044	$9,612,834
ADD Net Income	547,197	386,210
Closing Balance	$10,546,241	$9,999,044

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage Fund and Bond Fund are recorded at cost. The Canadian Equity Fund, U.S. Equity Fund, Real Estate Fund and Money Market Fund are recorded at cost with adjustment to reflect the gain in market value. Gains in market value totalling $281,181 from these three funds were taken into investment income in 1988. In 1987 the total gain was $124,150. The Transaction Account records cash transfers, revenue and operating expenses by Great-West Life.
   b. The fund follows the accrual method of accounting.
2. Section 12A (d) of Schedule "B" of The Prior Pension Plan By-law allows that where an amount is transferred to another Registered Plan in respect of a Member's Spouse because of a marriage breakup, the member may elect to contribute an equal amount to the Plan within one year of the date on which the transfer is made.
3. An Actuarial report prepared as at December 31, 1985 disclosed that the fund had no unfunded actuarial liability or a surplus.
4. The rate of return on investments was as follows:

	1988	1987
Investment Revenue	9.33%	7.79%
Gain on Sale of Investment	.06	.05
	9.39	7.84
LESS Investment Fees	.23	.25
NET	9.16%	7.59%

The City of Winnipeg
Fort Garry Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets with Great-West Life (Note 1)			
Mortgage Fund	$1,413,696	$1,360,822	$1,214,963
Money Market Fund	794,181	794,181	372,305
Deposit Fund	—	—	389,356
Transaction Account	1,939	1,939	28,977
	$2,209,816	2,156,942	2,005,601
Accounts Receivable		876	—
		$2,157,818	$2,005,601

Liabilities

	1988	1987
Employees' Pension Reserve	$2,140,636	$1,971,064
Due to Employee Benefits Board	17,182	34,537
	$2,157,818	$2,005,601

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg, Fort Garry Pension Fund as at December 31, 1988 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg, Fort Garry Pension Fund as at December 31, 1988 and the results of its operations for the year then ended, in accordance with the policies stated in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

LG Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

The City of Winnipeg
Fort Garry Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	1988	1987
Income		
Contributions		
The City of Winnipeg	$ 2,864	$ 2,653
Employees — Regular	2,864	2,653
— Voluntary	750	780
	6,478	6,086
Investment Revenue	236,544	206,865
	$243,022	$212,951
Expenditures		
Administration	4,941	8,526
Investment Fees	7,965	7,273
Pension Payments	60,544	56,626
Contribution and Interest Refunded	—	19,681
	73,450	92,106
Net Income	$ 169,572	$ 120,845

Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$1,971,064	$1,850,219
ADD Net Income	169,572	120,845
Closing Balance	$2,140,636	$1,971,064

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a. The Mortgage and Deposit Funds are recorded at cost. The Money Market Fund is recorded at cost with adjustment to reflect the gain in market value. A market value gain of $68,975 was taken into investment income in 1988. In 1987 the total gain was $30,221. The transaction account records cash transfers, revenue and operating expenses by Great West Life.
   b. The fund follows the accrual method of accounting.
2. The Actuarial report prepared as at December 31, 1985 disclosed an actuarial surplus of $730,000.
3. The rate of return on investments was as follows:

	1988	1987
Investment Revenue	11.37%	10.69%
LESS Investment Fees	.38	.38
NET	10.99%	10.31%

The City of Winnipeg
Transcona Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets with Manufacturers Life (Note 2)	$2,060,745	$2,060,745	$1,829,474
Due from Employee Benefits Board Pension Fund	20,064	20,064	100,263
	$2,080,809	2,080,809	1,929,737

Liabilities

	1988	1987
Employees' Pension Reserve	$2,080,809	$1,929,737

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg Transcona Pension Fund as at December 31, 1988 and the statement of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg Transcona Pension Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with accounting principles described in the notes to the financial statements.

LG Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
April 10, 1989

The City of Winnipeg
Transcona Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	1988	1987
Income		
Contributions		
The City of Winnipeg (Note 2)	$ 28,291	$ 27,900
Employees	3,291	3,000
	31,582	30,900
Investment Revenue	182,947	—
	$214,529	$ 30,900
Expenditures		
Administration	5,684	10,241
Pension Payments	99,356	84,975
Contributions and Interest Refunded	6,741	2,770
Refund of 1986 Unfunded Liability Overpayment	—	126,000
	111,781	223,986
Net Income	$ 102,748	$ (193,086)

Statement of Changes in Reserve

For the Year Ended December 31, 1988

		1988	1987
Opening Balance		$1,929,737	$ 293,348
ADD	Net Income	102,748	(193,085)
	Conversion of Annuity Contract to a Deposit Administration Contract (Note 1)	48,324	1,829,474
Closing Balance		$2,080,809	$1,929,737

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. The Employee Benefits Board at its meeting held on December 11, 1987, agreed to convert the Transcona GP 1682 annuity contract with Manufacturers Life to a deposit administration contract.

   The conversion value was increased by $48,323.25 in 1988 to recognize voluntary contributions to the City of Transcona (GP 1682) in the amount of $23,719.15 and required contributions to the Transcona Public Library (GP 20160) in the amount of $24,604.10 which were not recorded on initial conversion. This adjustment has been recorded by increasing plan assets and crediting the reserve account during the year.

2. The Actuarial Report prepared as at December 31, 1985 disclosed an unfunded actuarial liability of $206,000.00. In keeping with the Actuary's recommendation, on December 31, 1987 the City of Winnipeg paid $25,000.00 towards this unfunded liability. Similar payments of $25,000.00 are required each December 31st, up to and including the year 2000.

   On December 31, 1986 the City of Winnipeg had made an unfunded liability payment of $151,000.00 as was required under the December 31, 1982 valuation. The December 31, 1985 valuation revealed that only $25,000.00 was required on December 31, 1986. Therefore, the overpayment of $126,000.00 was refunded to the City of Winnipeg on December 31, 1987.

The City of Winnipeg
Money Purchase Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	Market Value	1988	1987
Assets with Great-West Life (Note 1)			
Transaction Account	$ 367	$ 367	$ 2,792
Money Market Fund#1	2,560,535	2,560,535	2,458,616
Assets with London Life Mortgage Fund (Note 1)	656,951	656,951	595,123
Assets with Citadel Life Money Market Fund (Note 1)	1,761,087	1,761,087	1,628,676
Assets with Manufacturers Life (Note 2)	475,483	475,483	432,257
	$5,454,423	$5,454,423	$5,117,464

Liabilities

	1988	1987
Employees' Pension Reserve (Note 2)	$5,410,752	$5,080,084
Due to Employee Benefits Program Pension Fund	43,671	37,380
	$5,454,423	$5,117,464

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditor's Report

To The Chairman and Members
Employee Benefits Board
The City of Winnipeg

I have examined the balance sheet of The City of Winnipeg, Money Purchase Pension Fund as at December 31, 1988 and the statements of income and expenditures and of changes in reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg Money Purchase Pension Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with accounting principles described in the notes to the financial statements.

LE Marks

Chartered Accountant
and City Auditor

Winnipeg, Manitoba
June 9, 1989

The City of Winnipeg
Money Purchase Pension Fund
Statement of Income and Expenditures

For the Year Ended December 31, 1988

	1988	1987
Income		
Contributions		
The City of Winnipeg	$ 14,455	$ 13,439
Employees	14,455	13,439
	28,910	26,878
Investment Revenue	473,478	352,935
	502,388	379,813
Expenditures		
Administration	13,065	17,745
Investment Fees	4,534	4,472
Pension Payments	141,026	121,925
Contributions and Interest Refunded	13,095	10,637
	171,720	154,779
Net Income	$ 330,668	$ 225,034

Statement of Changes in Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$5,080,084	$4,422,793
ADD - Net Income	330,668	225,034
- Conversion of Assiniboia Annuity Contract	—	432,257
Closing Balance	$5,410,752	$5,080,084

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Notes to the Financial Statements

1. **Significant Accounting Policies**
   a) Assets with Great West Life, London Life and Citadel Life are recorded at market value.
   b) The fund follows the accrual method of accounting.

2. The Money Purchase Fund was established in 1983, by the conversion of the prior Municipal Insurance Plans under authority of By-law 2819/80. The Employee Benefits Board at its meeting held on December 11, 1987, agreed to convert the Assiniboia GP 2967 annuity contract with Manufacturers Life to a deposit administration contract.

3. The Actuarial Report as at December 31, 1985, disclosed an actuarial surplus of $1,515,000.

4. The rate of return on investments was as follows:

	1988	1987
Investment Revenue	8.96%	7.72%
LESS Investment Fees	.09	.10
NET	8.87%	7.62%

The City of Winnipeg
Council Members' (Pre - 1972) Pension Fund
Balance Sheet

As at December 31, 1988

Assets

	1988	1987
Call Loans -City of Winnipeg	$ 36,000	$ 32,500
Cash	361	718
	$ 36,361	$ 33,218

Liabilities

	1988	1987
Pension Reserve	$ 33,667	$ 31,899
Due to Employee Benefits Board	2,694	1,319
	$ 36,361	$ 33,218

Statement of Reserve

For the Year Ended December 31, 1988

	1988	1987
Opening Balance	$ 31,899	$ 30,495
ADD		
Contributions—City of Winnipeg	6,281	6,281
Investment Income	2,740	1,933
Net Gain on Sale of Securities	—	170
	9,021	8,384
LESS Administration Expenses	1,375	1,319
Net Change	7,646	7,065
Amount available for pension purposes	39,545	37,560
DEDUCT		
Pension Payments	5,878	5,661
Closing Balance	$ 33,667	$ 31,899

Auditor's Report

To the Mayor and Members
of City Council
The City of Winnipeg

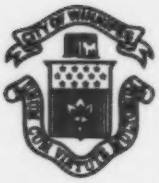
I have examined the balance sheet of The City of Winnipeg—Council Members' (Pre-1972) Pension Fund as at December 31, 1988 and the statement of reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as I considered necessary in the circumstances. I have obtained all the information and explanations I have required.

In my opinion, these financial statements present fairly the financial position of The City of Winnipeg—Council Members' (Pre-1972) Pension Fund as at December 31, 1988 and the changes in statement of reserve for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

L.E. Marks

Winnipeg, Manitoba
June 9, 1989

Chartered Accountant
and City Auditor



Financial Statistics and Debenture Debt Information

The City of Winnipeg
Financial Statistics, etc.

As at December 31, 1988

Debenture Debt **Supported by Taxation**	GROSS DEBT	SINKING FUND (Notes 2 & 3)	NET DEBT	%
City at Large				
All purposes	472,602,467.14	78,402,500.03	394,199,967.11	65.5
Local Improvements				
Property Owner's share	421,450.86	201,970.51	219,480.35	.1
Total Supported by Taxation	473,023,918.00	78,604,470.54	394,419,447.46	65.6
Municipal Hospital Commission (Note 1)	6,000,000.00	-	6,000,000.00	1.0
City Owned Utilities				
Hydro Electric System	81,325,325.08	28,950,640.46	52,374,684.62	8.7
Transit System	24,728,462.13	4,357,160.73	20,371,301.40	3.4
Waterworks System	53,550,455.37	17,067,110.37	36,483,345.00	6.1
Sewage Disposal System	104,299,967.35	12,745,783.22	91,554,184.13	15.2
Total City Owned Utilities	263,904,209.93	63,120,694.78	200,783,515.15	33.4
Total December 31, 1988	$742,928,127.93	$141,725,165.32	$601,202,962.61	100.0
Total January 1, 1988	$606,098,572.68	$148,910,579.68	$457,187,993.00	

NOTES (1) Annual service charges are the responsibility of the Manitoba Hospital Services Commission.
(2) Does not include $7,743,708.01 which is provided for by Foreign Exchange in Sinking Fund for equivalent U.S. Dollars.
(3) Does not include $699,081.82 to provide for interest payment at maturity re: By-law 4247/86.

Serial and Instalment Debentures	$ 61,469,127.93
Sinking Fund Debentures	681,459,000.00
	$742,928,127.93

Debentures Guaranteed by City	
Winnipeg Enterprises Corporation	$ 5,627,000.00

Capital Expenditures Unfunded (Floating Debt)		
Supported by taxation		$ 33,187,199
City Owned Utilities		
Hydro Electric System	$ 4,718,000	
Steam Heating System	140,480	
Transit System	123,184	
Water Works System	645,852	
Sewage Disposal System	2,128,865	7,756,381
		$ 40,943,580

Operating Results for Year (i)	Revenue	Expenditures Inc. Debt Charges	Surplus
General (ii)	$792,609,113	$784,687,362	$ 7,921,751
Hydro Electric System	103,815,784	93,283,556	10,532,228
Steam Heating System(iii)	4,508,434	4,508,434	—
Transit System (iv)	71,493,081	71,493,081	—
Waterworks System	41,576,745	40,068,166	1,508,579
Sewage Disposal System	39,903,628	35,266,220	4,637,408
Ambulance Service (v)	7,068,646	7,068,646	—
	$1,060,975,431	$1,036,375,465	$24,599,966

(i) Municipal Hospital Commission operating results are excluded due to March 31 year end.
(ii) Revenue and Expenditures includes $258,968,887 collected on behalf of and paid to school authorities and revenue includes contributions from Hydro Electric System of $12,500,000, from Water Works System of $3,481,126, and from Sewage Disposal System of $3,483,911.
(iii) Revenue includes contribution from Hydro Electric System - $741,484.
(iv) Revenue includes appropriation from General Levy - $17,849,113.
(v) Revenue includes appropriation from General Levy - $1,827,023.

The City of Winnipeg
Financial Statistics, etc.
As at December 31

	1988	1987	1986	1985	1984
Tax Collections and Arrears (including certificates and titles)					
Taxes to collect					
Current levy for all purposes	$ 543,196,305	$ 509,435,225	$ 482,972,275	$ 451,530,424	$ 430,185,421
Arrears forward—inc. penalties	41,031,966	40,195,775	40,415,707	34,284,401	37,685,605
Total	$ 584,228,271	$ 549,631,000	$ 523,387,982	$ 485,814,825	$ 467,871,026
Collections for year					
Current levy	$ 516,922,321	$ 488,246,904	$ 462,770,098	$ 431,120,103	$ 409,165,680
Arrears	27,346,423	27,950,838	24,898,855	18,120,176	21,384,526
Total	$ 544,268,744	$ 516,197,742	$ 487,668,953	$ 449,240,279	$ 430,550,206
Arrears December 31					
Gross arrears—fully reserved	$ 39,959,527	$ 33,433,258	$ 35,719,029	$ 36,574,546	$ 37,320,820
Percentages					
Total collections to current levy	100.20%	101.33%	100.97%	99.49%	100.08%
Current levy collections to current levy	95.16%	95.84%	95.82%	95.48%	95.11%
Total collections to total to collect	93.16%	93.92%	93.18%	92.47%	92.02%
Current tax levy—per capita	$ 872.84	$ 822.83	$ 783.86	$ 738.19	$ 711.49
Assessments*					
Land—100% of assessed value	$2,684,990,370	$2,667,949,730	$ 411,465,830	$ 410,583,190	$ 407,421,720
Buildings—66 2/3% of assessed value	4,524,609,400	4,411,564,570	1,436,831,660	1,410,184,490	1,377,228,450
Personal Property—100% of assessed value	64,877,590	63,601,530	32,440,770	31,091,220	29,672,940
Total	$7,274,477,360	$7,143,115,830	$1,880,738,260	$1,851,858,900	$1,814,323,110
Exemptions (not included in above)	$1,626,085,490	$1,603,455,530	$ 464,723,930	$ 459,719,850	$ 458,241,621
Business Assessment—annual rental value	$ 274,793,985	$ 269,894,910	$ 255,396,470	$ 251,020,138	$ 246,111,712
Assessment (inc. business)—per capita	$ 12,131	$ 11,973	$ 3,467	$ 3,437	$ 3,407
Population	622,333	619,124	616,107	611,732	604,627
Area of City in Square Miles	218.4	218.4	218.4	218.4	218.4

* A general reassessment was completed for the 1987 taxation year.

The City of Winnipeg
Table of Financial Statistics & Selected Ratios

As at December 31

	1988	1987	1986	1985	1984
Total Debenture Debt ($000's) (1)	742,928	606,099	614,463	567,073	536,125
Net Tax Supported Debenture Debt ($000's) (2)	414,791	313,847	304,409	269,086	251,076
Debenture Debt per Capita:					
Total ($)	1,194	979	997	927	887
Net ($)	667	507	494	440	415
Est. Market Value of Taxable Assessment ($000's) (3)	19,425,000	19,000,000	16,300,000	16,277,000	16,196,000
Debenture Debt as a % of Estimated Market Value Of Taxable Assessment					
Total (%)	3.8	3.2	3.8	3.5	3.3
Net (%)	2.1	1.7	1.9	1.7	1.6
Combined Revenues ($000's) (4)	762,124	719,651	689,393	670,437	630,435
Net Combined Revenues ($000's) (5)	592,526	563,520	536,086	527,093	493,991
Total Debenture Debt as a % of Combined Revenues (6)	96.7	84.2	89.1	84.6	85.0
Net Tax Supported Debenture Debt as a % of Net Combined Revenues	70.0	55.7	56.8	51.1	50.8
Gross Debt Charges ($000's) (7)	88,289	84,045	88,782	80,983	75,151
Gross Debt Charges as a % of Combined Revenues	11.6	11.7	12.9	12.1	11.9
Net Debt Charges ($000's) (8)	60,640	59,691	62,634	56,519	51,922
Net Debt Charges as a % of Net Combined Revenues	10.2	10.6	11.7	10.7	10.5
Average Debenture Interest Rate (%)	9.94	9.67	9.64	10.90	10.77
Currency Payable In (%)					
Canadian Dollars	88.65	84.00	76.75	56.88	53.33
U.S. Dollars	11.35	16.00	23.25	43.12	46.67
Pattern of Debt Maturity (%)					
1 - 5 years	54.3	51.3	49.6	56.3	54.8
6 - 10 years	30.9	41.6	42.9	21.7	23.8
over 10 years	14.8	7.1	7.5	22.0	21.4
Average Maturity (Years)	6.6	6.0	6.4	5.7	6.4

NOTES:

(1) Total Debenture Debt is Gross Debt outstanding for all Municipal Purposes (Tax-Supported and City-owned Utilities and debt issued for The Municipal Hospital Commission of The City of Winnipeg).

(2) Net Tax-Supported Debt is Gross Debt less accumulated Sinking Funds, less City-owned Utilities (except Transit System) net of Sinking Fund, and less Debentures issued for The Municipal Hospital Commission Of The City Of Winnipeg.

(3) In computing Estimated Market Value, Taxable Assessments (including Grants in lieu of Taxes) are first adjusted to 100% of assessed value before converting.

(4) Combined Revenues are comprised of General Revenues, including Ambulance Service and City-owned Utilities, but exclude revenues collected on behalf of School authorities and Municipal Hospital Commission Revenue.

(5) Net Combined Revenues are Combined Revenues shown in (4) but exclude revenues for Hydro, Steam, Waterworks & Sewage Disposal Utilities.

(6) For purposes of this ratio, Municipal Hospital Commission Debt is excluded from Total Debenture Debt.

(7) Gross Debt Charges are annual cash requirements for Interest, Principal and Sinking Fund levies on Total Debenture Debt as defined in (1) above.

(8) Net Debt Charges are annual cash requirements for Interest, Principal and Sinking Fund levies on Net Tax-Supported Debt as defined in (2) above.

Debenture Debt Financial and Statistical Statements

On the coming into force of The City of Winnipeg Act on January 1, 1972, the new City assumed responsibility for the debenture debt of the following predecessor Municipal entities

—R.M. of Charleswood
—R.M. of Fort Garry
—R.M. of Old Kildonan
—City of St. James-Assiniboia
—City of Transcona
—City of West Kildonan
—Metropolitan Corporation of Greater Winnipeg, including
    —Greater Winnipeg Sanitary District
    —Greater Winnipeg Water District
    —Greater Winnipeg Transit Commission
—City of East Kildonan
—R.M. of North Kildonan
—City of St. Boniface
—City of St. Vital
—Town of Tuxedo
—City of Winnipeg

The gross Debenture Debt of the City as at December 31, 1988 amounted to $742,928,127.93 as follows:

Gross Debenture Debt as at January 1, 1988	$606,098,572.68
Debenture Debt issued by the City in 1988	175,000,000.00
Debenture Debt retired in 1988	(38,170,444.75)
Gross Debenture Debt as at December 31, 1988	$742,928,127.93

Composition of this debt is as follows

Sinking Fund	$681,459,000.00
Serial and Instalment	61,469,127.93
	$742,928,127.93

The City of Winnipeg Act provides for the appointment of a Board of Sinking Fund Trustees consisting of four trustees, composed of the City Treasurer and three trustees appointed by the Lieutenant Governor in Council. This board administers such sinking funds as are required to be maintained in respect to any debentures of the City. At the inception of the unified City of Winnipeg the Board of Trustees had vested in it the assets and liabilities of the former Sinking Fund Trustees of the City of Winnipeg, the former Sinking Fund Committee of the Metropolitan Corporation of Greater Winnipeg and the former Sinking Fund Trustees of the City of St. Boniface. . . the only municipal entities in the unification who had issued Sinking Fund Debentures.

The provisions of The City of Winnipeg Act require that in the case of Sinking Fund Debentures, there shall be paid over to the Sinking Fund Trustees on each anniversary date until maturity an amount which, together with calculated interest thereon at a rate not exceeding 10% per annum, will be sufficient to retire the debt at maturity. There is, however, an exception permitted in that when sinking fund debentures are issued for purposes of the Transit System, Waterworks System or Sewage Disposal System, a sinking fund of 1% of the original amount of the debentures is permissible, or if the debentures are for any other purpose and the term is less than 22 years, a sinking fund of 3% of the original amount of the debentures may be provided.

Sinking fund debenture issues provide for full sinking fund at maturity on the basis of actuarial capitalizations averaging approximately 4.85%, with the exception of the following: (a) In 1984 under By-law 3807/84, the City issued $50 million, 7 year sinking fund debentures under the 1% and 3% levy provision. This will create a sinking fund deficiency that will require refinancing. (b) In 1985 under By-law 4025/85, the City issued $50 million, 5 year sinking fund debentures under the 3% levy provision. This will create a sinking fund deficiency that will require refinancing. (c) In 1986 under By-laws 4246/86, 4247/86 and 4347/86 the City issued a total of $158,553,000 in sinking fund debentures under the 3% levy provision. All three of these debenture issues will require refinancing. (d) In 1987 under By-law 4510/87 The City issued $60 million, 5 year sinking fund debentures under the 3% levy provision. This will create a sinking fund deficiency that will require refinancing. (e) In 1988 the City issued a total of $175,000,000 in Sinking Fund Debentures. By-Law 4783/88 ($100,000,000) is a 15 year issue that is retractable in 1993 or 1998. If not retracted this By-Law will be fully reserved at maturity in 2003. By-Law 5010/88 ($75,000,000) is a 5 year issue with a 3% levy that will require refinancing.

The Sinking Fund Trustees are also empowered, under the City of Winnipeg Act, to administer such other funds as the Council may direct. At present, the trustees are administering the sinking fund for the redemption of debentures issued by the Winnipeg Enterprises Corporation.

In the case of serial and installment debt, The City of Winnipeg Act requires the raising of sufficient money to pay the principal amount of debt falling due in that year.

The net debenture debt of the City as at December 31, 1988 totalled $601,202,962.61 comprised as follows:

	Tax Supported	Utilities & Municipal Hospital	Total
Gross	$473,023,918.00	$269,904,209.93	$742,928,127.93
Less Sinking Funds	78,604,470.54	63,120,694.78	141,725,165.32
Net	$394,419,447.46	$206,783,515.15	$601,202,962.61

Summary of Debenture Debt and Sinking Fund

As at December 31, 1988

Description	DEBENTURE DEBT			1989 FIXED ANNUAL CHARGES (Note 2)		
	Gross	Sinking Fund (Notes 1 & 4)	Net	Interest (Note 3)	Principal	Total
SUPPORTED BY TAXATION						
City at Large						
General (other than local improvements)	$472,403,534.62	$ 77,517,285.10	$394,886,249.52	$47,599,449.72	$19,756,380.97	$67,355,830.69
Local Improvements— City's Share	198,932.52	165,682.59	33,249.93	10,910.55	16,017.69	26,928.24
	472,602,467.14	77,682,967.69	394,919,499.45	47,610,360.27	19,772,398.66	67,382,758.93
Unallocated Surplus	—	719,532.34	(719,532.34)	—	—	—
Total City at Large	472,602,467.14	78,402,500.03	394,199,967.11	47,610,360.27	19,772,398.66	67,382,758.93
Self Supporting						
Local Improvements— Property Owners' Share	421,450.86	201,970.51	219,480.35	33,082.39	115,853.83	148,936.22
TOTAL SUPPORTED BY TAXATION	473,023,918.00	78,604,470.54	394,419,447.46	47,643,442.66	19,888,252.49	67,531,695.15
MUNICIPAL HOSPITAL COMMISSION	6,000,000.00	—	6,000,000.00	615,000.00	180,000.00	795,000.00
CITY OWNED UTILITIES						
Hydro Electric System	81,325,325.08	28,950,640.46	52,374,684.62	8,136,949.13	2,632,042.31	10,768,991.44
Transit System (Note 3)	24,728,462.13	4,357,160.73	20,371,301.40	2,418,425.06	819,600.57	3,238,025.63
Water Works System	53,550,455.37	17,067,110.37	36,483,345.00	5,255,116.75	2,067,744.30	7,322,861.05
Sewage Disposal System	104,299,967.35	12,745,783.22	91,554,184.13	9,760,048.16	3,708,892.71	13,468,940.87
TOTAL CITY OWNED UTILITIES	263,904,209.93	63,120,694.78	200,783,515.15	25,570,539.10	9,228,279.89	34,789,818.99
GRAND TOTAL	$742,928,127.93	$141,725,165.32	$601,202,962.61	$73,838,981.76	$29,296,532.38	$103,125,514.14

Notes (1) Does not include $7,743,708.01 which is provided for by Foreign Exchange in Sinking Fund for equivalent U.S. Dollars to retire debt at maturity.

(2) Fixed annual charges shown are on a 'Cash Basis' and not 'Accrual Basis'.

(3) In computing its Net Tax Supported Debenture Debt for purposes of financial ratios and prospectus filings, the City considers debt issued on behalf of the Transit System as Tax-Supported Debt.

(4) Does not include $699,081.82 to provide for interest payment at maturity re By-Law 4247/86.

Debenture Debt—Maturity by Years.

Maturity Year	Sinking Fund Debt	Serial and Instalment Debt	Total	%
1989	$ 24,446,000.00	$ 7,353,038.69	$ 31,799,038.69	4.3
1990	92,500,000.00 (1)	7,828,005.77	100,328,005.77	13.5
1991	60,260,000.00 (2)	5,898,068.66	66,158,068.66	8.9
1992	68,000,000.00 (3)	5,923,796.80	73,923,796.80	10.0
1993	125,753,000.00 (4)	5,007,571.00	130,760,571.00	17.6
1994	10,500,000.00	4,902,223.34	15,402,223.34	2.1
1995	10,000,000.00	5,086,592.55	15,086,592.55	2.0
1996	160,000,000.00 (5)	3,180,473.92	163,180,473.92	22.0
1997	—	2,990,320.74	2,990,320.74	.4
1998	30,000,000.00	3,056,422.95	33,056,422.95	4.4
1999	—	3,068,069.36	3,068,069.36	.4
2000	—	1,389,527.04	1,389,527.04	.2
2001	—	765,263.24	765,263.24	.1
2002	—	789,178.32	789,178.32	.1
2003	100,000,000.00	860,633.04	100,860,633.04	13.6
2004	—	593,274.53	593,274.53	.1
2005	—	649,816.33	649,816.33	.1
2006	—	469,255.08	469,255.08	.1
2007	—	427,261.63	427,261.63	—
2008	—	472,690.29	472,690.29	—
2009	—	522,955.92	522,955.92	.1
2010	—	234,688.73	234,688.73	—
GROSS DEBT	$681,459,000.00	$ 61,469,127.93	$742,928,127.93	100.0%
Less Sinking Fund Reserve			141,725,165.32	
NET DEBT			$601,202,962.61	

(1) Of the $92,500,000 Sinking Fund Debt that matures in 1990, $68,093,649.49 will have to be refinanced.

(2) Of the $60,260,000 Sinking Fund Debt that matures in 1991, $38,275,507.83 will have to be refinanced.

(3) Of the $68,000,000 Sinking Fund Debt that matures in 1992, $50,053,863.75 will have to be refinanced.

(4) Of the $125,753,000 Sinking Fund Debt that matures in 1993, $95,255,340.93 will have to be refinanced.

(5) Of the $160,000,000 Sinking Fund Debt that matures in 1996, $52,926,374.01 will have to be refinanced.

Underlying Assumption

— By-Law 4783/88 $100,000,000 10% to 1993 and 10¼% to 2003 will not be retracted by the debenture holders.

Annual Debenture Debt Service Charges

On Existing Debt as at December 31, 1988

	TAX SUPPORTED			UTILITIES & MUNICIPAL HOSPITAL COMMISSION			
	(Including Transit System)			(Mun. Hosp., Hydro, Water Works & Sewage Disposal)			
Year	Principal	Interest	Sub-Total	Principal	Interest	Sub-Total	Total
1989	$ 20,707,853.06	$ 50,061,867.72	$ 70,769,720.78	$ 8,588,679.32	$ 23,767,114.04	$ 32,355,793.36	$103,125,514.14
1990	20,717,366.62	48,423,157.23	69,140,523.85	8,332,305.51	23,057,991.22	31,390,296.73	100,530,820.58
1991	16,799,106.69	41,365,073.65	58,164,180.34	7,514,983.13	20,105,822.46	27,620,805.59	85,784,985.93
1992	15,360,139.72	35,485,393.51	50,845,533.23	7,192,569.39	18,357,803.55	25,550,372.94	76,395,906.17
1993	13,032,793.77	29,344,420.15	42,377,213.92	6,189,632.12	15,303,835.02	21,493,467.14	63,870,681.06
1994	10,062,459.65	21,873,007.52	31,935,467.17	5,255,583.82	11,935,671.31	17,191,255.13	49,126,722.30
1995	10,249,151.65	21,211,069.35	31,460,221.00	4,935,713.87	11,135,743.43	16,071,457.30	47,531,678.30
1996	8,567,271.09	18,432,959.97	27,000,231.06	4,409,049.93	8,852,067.57	13,261,117.50	40,261,348.56
1997	5,199,626.61	10,118,449.68	15,318,076.29	2,753,185.84	4,534,809.61	7,287,995.45	22,606,071.74
1998	5,191,384.78	8,973,656.09	14,165,040.87	2,827,529.88	3,935,617.64	6,763,147.52	20,928,188.39
1999	4,593,662.00	7,829,027.65	12,422,689.65	2,529,633.95	3,328,267.48	5,857,901.43	18,280,591.08
2000	3,513,868.88	7,739,918.52	11,253,787.40	2,509,886.93	3,203,828.00	5,713,714.93	16,967,502.33
2001	3,522,534.19	7,731,253.21	11,253,787.40	1,876,957.82	3,081,173.11	4,958,130.93	16,211,918.33
2002	3,532,087.68	7,721,699.72	11,253,787.40	1,891,319.41	3,021,806.24	4,913,125.65	16,166,913.05
2003	3,542,620.42	3,918,666.98	7,461,287.40	1,952,241.39	1,628,384.26	3,580,625.65	11,041,913.05
2004	124,903.48	114,554.64	239,458.12	468,371.05	229,431.26	697,802.31	937,260.43
2005	137,706.09	101,752.03	239,458.12	512,110.24	185,691.75	697,801.99	937,260.11
2006	151,820.96	87,637.16	239,458.12	317,434.12	137,751.67	455,185.79	694,643.91
2007	167,382.61	72,075.51	239,458.12	259,879.02	103,972.55	363,851.57	603,309.69
2008	184,539.33	54,918.79	239,458.12	288,150.96	75,700.61	363,851.57	603,309.69
2009	203,455.50	36,003.51	239,459.01	319,500.42	44,352.02	363,852.44	603,311.45
2010	147,798.23	15,149.32	162,947.55	86,890.50	9,591.76	96,482.26	259,429.81
	$145,709,533.01	$320,711,711.91	$466,421,244.92	$71,011,608.62	$156,036,426.56	$227,048,035.18	$693,469,280.10

NOTES
(1) Fixed annual charges are on a 'Cash Basis' and not 'Accrual Basis'.
(2) Principal includes annual Levies paid to Sinking Fund.

Debenture Debt
Summary of Maturities by Purposes

Maturity Year	General Inc. City's Share L.I.	Ratepayers' Share Local Imp.	Municipal Hospital Commission	Hydro Electric System	Transit System	Water Works System	Sewage Disposal System	Total
1989	$ 15,549,592.27	$270,541.43	$ —	$ 4,825,325.08	$ 2,000,000.00	$ 3,650,734.94	$ 5,502,844.97	$ 31,799,038.69
1990	60,489,521.49	69,004.47	—	5,000,000.00	9,060,000.00	3,403,731.26	22,305,748.55	100,328,005.77
1991	49,232,731.02	81,904.96	—	11,000,000.00	—	2,140,642.70	3,702,789.98	66,158,068.66
1992	38,381,435.98	—	—	12,000,000.00	3,500,000.00	4,944,689.41	15,097,671.41	73,923,796.80
1993	97,108,129.15	—	6,000,000.00	6,000,000.00	3,000,000.00	10,476,662.05	8,175,779.80	130,760,571.00
1994	3,806,666.30	—	—	10,000,000.00	—	343,738.44	1,251,818.60	15,402,223.34
1995	8,508,479.59	—	—	—	—	2,872,113.46	3,705,999.50	15,086,592.55
1996	102,790,497.50	—	—	20,500,000.00	3,168,462.13	18,755,520.51	17,965,993.78	163,180,473.92
1997	1,744,460.26	—	—	—	—	368,386.93	877,473.55	2,990,320.74
1998	21,736,218.43	—	—	2,000,000.00	—	3,901,355.55	5,418,848.97	33,056,422.95
1999	1,743,334.90	—	—	—	—	339,040.97	985,693.49	3,068,069.36
2000	84,539.60	—	—	—	—	353,839.15	951,148.29	1,389,527.04
2001	93,204.91	—	—	—	—	—	672,058.33	765,263.24
2002	102,758.40	—	—	—	—	—	686,419.92	789,178.32
2003	70,113,291.14	—	—	10,000,000.00	4,000,000.00	2,000,000.00	14,747,341.90	100,860,633.04
2004	124,903.48	—	—	—	—	—	468,371.05	593,274.53
2005	137,706.09	—	—	—	—	—	512,110.24	649,816.33
2006	151,820.96	—	—	—	—	—	317,434.12	469,255.08
2007	167,382.61	—	—	—	—	—	259,879.02	427,261.63
2008	184,539.33	—	—	—	—	—	288,150.96	472,690.29
2009	203,455.50	—	—	—	—	—	319,500.42	522,955.92
2010	147,798.23	—	—	—	—	—	86,890.50	234,688.73
	$472,602,467.14	$421,450.86	$6,000,000.00	$81,325,325.08	$24,728,462.13	$53,550,455.37	$104,299,967.35	$742,928,127.93

Debenture Debt Changes 1988

Gross Debt as at January 1, 1988			$606,098,572.68
DEBT ISSUED DURING 1988			
Tax Supported Debt			
Street and Bridge System	$48,975,000.00		
Land Drainage	12,750,000.00		
Solid Waste Disposal	3,275,000.00		
Culture and Recreation	9,825,000.00		
Protection	4,965,000.00		
Health and Social Development	460,000.00		
Special Projects	2,572,147.00		
Convention Centre	800,000.00		
Civic Accomodations	3,100,000.00		
Overhead Walkways	460,000.00		
Core Area Initiative	9,751,000.00		
North Portage Development	17,000,000.00		
North Ellice Neighborhood	225,500.00		
Land Acquisition	841,353.00	115,000,000.00	
Municipal Hospital Commission	6,000,000.00	6,000,000.00	
Utilities Debt			
Hydro Electric System	16,000,000.00		
Transit System	7,000,000.00		
Waterworks System	10,000,000.00		
Sewage Disposal System	21,000,000.00	54,000,000.00	175,000,000.00
			781,098,572.68
DEBT RETIRED DURING 1988			
Tax Supported Debt			
Local Improvements—City's Share	15,532.20		
Local Improvements—Property Owners' Share	245,027.21	260,559.41	
Streets & Bridge System	3,731,822.88		
Land Drainage	2,010,460.14		
Solid Waste Disposal	301,624.91		
Culture & Recreation	13,293,176.74		
Protection	722,327.41		
Health & Social Development	308,333.40		
General Government	650,625.44		
Downtown Parking	66,666.70		
Convention Centre	616,621.10		
Centennial Centre	900,000.00		
Civic Accomodations	652,398.42		
City Developments/Development Agreements	66,666.70		
Old Market Square	157,322.46		
Overhead Walkways	14,148.46	23,492,194.76	
Winnipeg School Division 1		238,000.00	238,000.00
Utilities Debt			
Hydro Electric System	2,639,000.00		
Steam Heating System	19,000.00		
Transit System	4,500,000.00		
Water Works System	5,373,540.75		
Sewage Disposal System	1,648,149.83	14,179,690.58	38,170,444.75
Gross Debt as at December 31, 1988			$742,928,127.93

The City of Winnipeg Debenture Debt Issues

As at December 31, 1988

Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
THE CITY OF WINNIPEG **Sinking Fund Debt**							
1974-89	Nov. 1	8.750	749/74	R.B.	Any Branch in Canada	$ 266,000.00	
1974-89	Nov. 1	10.750	800/74	R.B.	Any Branch in Canada	2,210,000.00	$ 2,476,000.00
1985-90	July 16	10.625	4025/85	R.B., London	London PR P.A.	50,000,000.00	
1986-90	Dec. 1	9.375	4246/86	R.B.	W.	30,300,000.00	80,300,000.00
1984-91	Sept. 30	12.750	3807/84	R.B., London	London PR. P.A.	50,000,000.00	50,000,000.00
1987-92	Feb. 24	9.000	4510/87	R.B., London	London PR. P.A.	60,000,000.00	
1982-92	Dec. 31	12.750	3327/82	R.B.	Any Branch in Canada	7,500,000.00	67,500,000.00
1986-93	May 1	9.400	4247/86	BOT	London	43,253,000.00	
1973-93	June 1	8.125	383/73	B. of M.	Any Branch in Canada	7,000,000.00	
1988-93	Dec. 1	10.250	5010/88	R.B., London	London PR P.A.	75,000,000.00	125,253,000.00
1974-94	Apr. 1	8.750	585/74	R.B.	Any Branch in Canada	10,000,000.00	10,000,000.00
1975-95	Mar. 17	9.750	885/75	R.B.	Any Branch in Canada	10,000,000.00	10,000,000.00
(C) 1976-91/96	Mar. 1	9.250	1158/76	B. of M. Trust Co.	N.Y.	50,000,000.00	
(E) 1980-88/96	May 16	14.000	2622/80	R.B.	Any Branch in Canada	25,000,000.00	
1986-96	Aug. 1	9.750	4347/86	R.B.	Any Branch in Canada	85,000,000.00	160,000,000.00
1978-98	Feb. 1	9.750	1853/78	R.B.	Any Branch in Canada	30,000,000.00	30,000,000.00
(R) 1988-93-98, 2003	Feb. 23	10.00/ 10.25	4783/88	R.B.	Any Branch in Canada	100,000,000.00	100,000,000.00
							$635,529,000.00
Serial & Instalment Debt							
1980-90	Dec. 31	13.500	2835/80	R.B.	Any Branch in Canada	$ 4,050,000.00	
1982-92	Dec. 31	12.375	3326/82	R.B.	Any Branch in Canada	4,061,000.00	
(C) 1973-93	Mar. 23	6.980	685/74	R.B.	W.	717,183.32	
1983-93	Dec. 15	6.375	3614/83	R.B.	W.O.	85,715.65	
1974-94	Aug. 1	10.750	750/74	R.B.	Any Branch in Canada	3,000,000.00	
1980-95	Dec. 31	13.500	2834/80	R.B.	Any Branch in Canada	7,604,000.00	
1979-99	Jan. 23	9.750	2179/79	B. of M. Trust Co.	N.Y.	18,333,330.00	
(C) 1979-99	Feb. 1	10.000	2316/79	R.B.	W.O.	279,898.01	
(C) 1979-99	Apr. 1	9.625	2402/79	R.B.	W.O.	394,130.15	
(C) 1979-99	Apr. 1	9.625	2403/79	R.B.	W.O.	124,945.26	
(C) 1980-2000	May 1	11.000	2675/80	R.B.	W.O.	429,758.66	
(C) 1980-2000	May 1	9.500	2676/80	R.B.	W.O.	2,092,685.90	
(C) 1980-2000	June 1	9.625	2709/80	R.B.	W.O.	52,625.69	
(C) 1980-2000	June 1	10.000	2710/80	R.B.	W.O.	76,960.79	
(C) 1980-2000	Oct. 1	10.000	2813/80	R.B.	W.O.	2,173,078.10	
(C) 1973-2003	Jan. 1	8.250	597/74	R.B.	W.O.	56,051.84	
(C) 1973-2003	Jan. 1	7.750	599/74	R.B.	W.O.	39,599.97	
(C) 1973-2003	Jan. 1	7.500	600/74	R.B.	W.O.	60,358.90	
(C) 1973-2003	Jan. 1	7.250	601/74	R.B.	W.O.	187,706.39	
(C) 1973-2003	Jan. 1	7.500	602/74	R.B.	W.O.	48,967.73	
(C) 1973-2003	June 1	8.250	598/74	R.B.	W.O.	2,389,190.46	
(C) 1973-2003	Dec. 1	8.250	684/74	R.B.	W.O.	118,288.64	
(C) 1975-2005	Apr. 1	7.500	996/75	R.B.	W.O.	352,840.41	
(C) 1975-2005	Apr. 1	7.875	997/75	R.B.	W.O.	556,612.82	
(C) 1975-2005	Apr. 1	7.500	998/75	R.B.	W.O.	31,546.95	
(C) 1975-2005	Nov. 1	7.500	1292/76	R.B.	W.O.	1,311,374.58	
(C) 1976-2006	Jan. 1	8.000	1293/76	R.B.	W.O.	48,241.17	
(C) 1976-2006	Feb. 1	10.750	1294/76	R.B.	W.O.	445,908.00	
(C) 1976-2006	Dec. 1	8.000	1482/77	R.B.	W.O.	134,142.80	
(C) 1976-2006	Dec. 1	8.000	1483/77	R.B.	W.O.	126,245.38	
(C) 1979-2009	Jan. 1	10.375	2476/79	R.B.	W.O.	1,180,184.80	
(C) 1979-2009	Apr. 1	10.750	2401/79	R.B.	W.O.	1,004,280.97	
(C) 1979-2009	June 1	10.000	2424/79	R.B.	W.O.	650,274.93	
(C) 1980-2010	Jan. 1	10.000	2581/80	R.B.	W.O.	1,403,952.09	
(C) 1980-2010	June 1	10.750	2708/80	R.B.	W.O.	786,718.98	$ 54,407.799.34
GROSS DEBT (The City of Winnipeg)							$689,936.799.34

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

	Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
	CITY OF WINNIPEG (Former)							
	Sinking Fund Debt							
	1969-89	May 1	8.250	19679	B. of M.	W.H.M.T.L.R.E.C.V.V.	$ 500,000.00	
(C)	1964-84/89	Nov. 1	4.750	19050	B. of M. Trust Co.	N.Y.	6,500,000.00	$ 7,000,000.00
	1970-90	Dec. 1	9.250	19775	B. of M.	W.H.M.T.L.R.E.C.V.V.	3,000,000.00	3,000,000.00
	1971-91	June 15	8.500	19829	B. of M.	W.H.M.T.L.R.E.C.V.V.	1,560,000.00	
	1971-91	Dec. 1	7.750	19852	B. of M.	W.H.M.T.L.R.E.C.V.V.	5,000,000.00	6,560,000.00
								$16,560,000.00
	Serial & Instalment Debt							
(C)	1966-91	Feb. 1	5.375	19230	B. of M.	W.	$ 93,168.85	
(C)	1966-91	Apr. 1	5.375	19297	B. of M.	W.	57,149.41	
(C)	1966-91	June 1	5.250	19321	B. of M.	W.	50,204.18	
(C)	1966-91	June 1	5.375	19322	B. of M.	W.	66,650.12	
(C)	1966-91	Aug. 1	5.375	19336	B. of M.	W.	233,927.01	
(C)	1966-91	Oct. 1	5.375	19351	B. of M.	W.	391,837.89	
(C)	1966-91	Dec. 1	5.625	19363	B. of M.	W.	54,206.23	$ 947,143.69
	GROSS DEBT (Former City of Winnipeg)							$17,507,143.69
	THE METROPOLITAN CORPORATION OF GREATER WINNIPEG							
	Sinking Fund Debt							
	1964-89	May 1	5.500	579	T.D.	Any Branch in Canada	$ 4,970,000.00	
	1969-89	July 1	8.000	1533	BofM Trust Co	N.Y.	5,000,000.00	
(C)	1964-84/89	Oct. 1	4.750	710	BofM Trust Co	N.Y.	4,500,000.00	$14,470,000.00
	1970-90	Feb.1	9.500	1633	T.D.	Any Branch in Canada	2,500,000.00	
	1965-90	Apr. 1	5.500	814	B. of N.S.	Any Branch in Canada	2,200,000.00	
	1970-90	Oct. 1	9.250	1719	B. of N.S.	Any Branch in Canada	4,000,000.00	8,700,000.00
	1971-91	Apr. 1	7.500	1802	B. of M.	Any Branch in Canada	2,000,000.00	
	1971-91	Nov. 1	8.250	1891	C.I.B.C.	Any Branch in Canada	1,200,000.00	3,200,000.00
								$26,370,000.00
	Serial & Instalment Debt							
	1963-93	May 1	5.250	386	C.I.B.C.	Any Branch in Canada	$ 920,000.00	
(C)	1963-93	Nov. 1	5.125	586	B. of M.	W.O.	34,991.25	
(C)	1964-94	Mar. 1	5.125	700	B. of M.	W.O.	45,800.07	
(C)	1964-94	Aug. 1	5.125	761	B. of M.	W.O.	307,583.09	
(C)	1964-94	Aug. 1	5.125	859	B. of M.	W.O.	204,870.82	
(C)	1964-94	Aug. 1	5.250	860	B. of M.	W.O.	101,659.09	
(C)	1964-94	Dec. 1	5.375	900	B. of M.	W.O.	26,177.20	
(C)	1965-95	July 1	5.125	887	B. of M.	W.O.	2,124,914.51	
(C)	1965-95	July 2	5.375	858	B. of M.	W.	68,768.87	
(C)	1965-95	Sept. 1	5.375	1032	B. of M.	W.O.	54,061.28	
(C)	1965-95	Sept. 1	5.125	1135	B. of M.	W.O.	428,003.54	
(C)	1965-95	Dec. 1	5.125	1033	B. of M.	W.O.	177,209.29	
	1966-96	Mar. 1	6.000	1005	B. of M.	Any Branch in Canada	1,580,000.00	
(C)	1966-96	Apr. 1	5.375	1013	B. of M.	W.	130,577.08	
(C)	1966-96	Apr. 1	5.375	1108	B. of M.	W.	132,565.29	
(C)	1966-96	Oct. 1	5.375	1163	B. of M.	W.	132,981.02	
(C)	1967-97	Sept. 1	5.625	1243	B. of M.	W.	107,412.80	
(C)	1967-97	Dec. 1	5.125	1279	B. of M.	W.O.	24,004.95	
(C)	1967-97	Dec. 1	5.875	1280	B. of M.	W.O.	216,456.71	
(C)	1967-97	Dec. 1	5.125	1348	B. of M.	W.O.	15,305.16	
(C)	1968-98	Oct. 1	6.250	1443	B. of M.	W.O.	122,716.89	
(C)	1968-98	Nov. 1	5.625	1466	B. of M.	W.	737,056.54	
(C)	1969-99	May 1	6.375	1545	B. of M.	W.O.	163,223.16	
(C)	1970-2000	Jan. 1	6.875	1679	B. of M.	W.O.	21,736.80	
(C)	1970-2000	Jan. 1	6.250	1692	B. of M.	W.O.	134,552.52	
(C)	1970-2000	Oct. 1	6.875	1766	B. of M.	W.O.	193,722.78	
(C)	1971-2001	Sept. 1	8.250	1923	B. of M.	W.O.	347,635.72	$ 8,553,986.43
	GROSS DEBT (Former Metropolitan corporation of Greater Winnipeg)							$34,923,986.43

THE CITY OF WINNIPEG
DEBENTURE DEBT ISSUES—Continued

Term	Month	Rate of Interest	By-Law No.	Payable at	Cities	Amount of Debt	Total
RURAL MUNICIPALITY OF CHARLESWOOD							
1969-89	Nov. 1	8.000	1659	B. of M.	W.	$ 1,000.00	
1971-90	Dec. 1	8.000	1741	B. of M.	W.	6,000.00	$ 7,000.00
RURAL MUNICIPALITY OF FORT GARRY							
1971-91	Dec. 1	8.250	5485	R.B.	W.	$ 19,254.63	$ 19,254.63
CITY OF ST. BONIFACE							
1969-89	Oct. 1	7.000	4772B	B.C.N.	W.	$ 22,000.00	
1970-89	Dec. 31	7.000	4853	B.C.N.	W.	1,976.62	
1971-90	Dec. 31	9.000	4892	B.C.N.	W.	2,705.00	
1971-90	Dec. 31	9.000	4893	B.C.N.	W.	3,703.59	
1971-90	Dec. 31	7.000	4897	B.C.N.	W.	29,232.71	
1971-90	Dec. 31	9.000	4904	B.C.N.	W.	9,692.24	$ 69,310.16
CITY OF ST. VITAL							
1969-89	Dec. 31	9.250	8372	C.I.B.C.	W.	$ 37,000.00	
1969-89	Dec. 31	8.000	8373	C.I.B.C.	W.	28,000.00	
1970-90	Mar. 31	9.250	8376	C.I.B.C.	W.	29,000.00	$ 94,000.00
CITY OF TRANSCONA							
1969-89	Dec. 1	8.000	104/69	T.D.	W.	$ 22,000.00	
1970-90	Dec. 1	9.250	69/70	T.D.	W.	61,000.00	
1970-90	Dec. 1	9.250	70/70	T.D.	W.	61,000.00	$ 144,000.00
TOWN OF TUXEDO							
1969-89	July 1	8.000	1180	B. of M.	W.	$ 12,000.00	
1970-90	Dec. 1	9.250	1218/23	B. of M.	W.	76,000.00	
1971-91	July 1	9.000	1239B	B. of M.	W.	62,000.00	$ 150,000.00
CITY OF WEST KILDONAN							
1968-95	Dec. 1	0.000	16/68/B	R.B.	W.	$ 46,750.82	
1965-95	Dec. 31	6.000	68/66/B	R.B.	W.	$ 29,882.86	$ 76,633.68
GROSS DEBT (Other Areas)							$ 560,198.47
TOTAL DEBT							$742,928,127.93

(C) Callable
(E) Extended/Extendible
(R) Retractable

R.B.	Royal Bank of Canada
B. of M.	Bank of Montreal
C.I.B.C.	Canadian Imperial Bank of Commerce
B. of N.S.	Bank of Nova Scotia
T.D.	Toronto-Dominion Bank
B.C.N.	Banque Canadienne Nationale
B. of M. Trust Co.	Bank of Montreal Trust Co., New York
BOT	Bank of Tokyo

W.	Winnipeg
H.	Hamilton
M.	Montreal
L.	London
T.	Toronto
R.	Regina
E.	Edmonton
C.	Calgary
V.	Vancouver
V.V.	Vancouver, Victoria
N.Y.	New York
W.O.	Winnipeg, Ottawa

General Debenture Debt

Purpose of Issue	By Law No	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates %		Annual Charges 1989		Sinking Fund Reserve at Dec 31, 1988
						Sinking Fund	Debt	Interest	Principal Amortization	
Street and Bridge System										
(Street Improvements, Street Lighting, Bridges and Underpasses)	579	$ 810,000.00	M	May 1, 1964-89	C	3.500	5.500	$ 22,275.00	$ 20,796.00	$ 780,357.95
	1533	2,350,000.00	M	July 1, 1969-89	NY	4.000	8.000	188,000.00	78,917.00	2,227,524.67(1)
	710	550,000.00	M	Oct 1, 1964-84/89	NY	3.500	4.750	26,125.00	14,121.00	522,286.09(1)
	1633	500,000.00	M	Feb 1, 1970-90	C	4.000	9.500	47,500.00	16,791.00	446,326.55
	814	1,200,000.00	M	Apr 1, 1965-90	C	3.500	5.500	66,000.00	30,809.00	1,089,585.73
	4025/85	21,750,000.00	UW	July 16, 1985-90	Lon	5.000	10.625	2,310,937.50	652,500.00	2,104,346.22
	1719	2,050,000.00	M	Oct 1, 1970-90	C	4.000	9.250	189,625.00	68,843.00	1,783,113.84
	4246/86	8,300,000.00	UW	Dec 1, 1986-90	C	5.000	9.375	778,125.00	249,000.00	512,617.88
	2835/80	352,415.75	UW	Dec 31, 1980-90	C	Serial	13.500	47,575.45	165,067.46	—
	1802	1,220,000.00	M	Apr 1, 1971-91	C	4.000	7.500	91,500.00	40,970.00	1,000,040.27
	3807/84	18,485,200.00	UW	Sept 30, 1984-91	Lon	5.000	12.750	2,356,863.00	554,556.00	2,420,329.44
	4510/87	12,700,000.00	UW	Feb 24, 1987-92	Lon	5.000	9.000	1,143,000.00	381,000.00	397,179.55
	3327/82	3,500,000.00	UW	Dec 31, 1982-92	C	5.000	12.750	446,250.00	278,266.01	1,892,741.15
	386	200,000.00	M	May 1, 1963-93	C	Serial	5.250	9,555.00	36,000.00	—
	4247/86	23,600,000.00	UW	May 1, 1986-93	Lon	5.000	9.400	2,218,661.70	708,000.00	1,500,111.89
	5010/88	25,175,000.00	UW	Dec 1, 1988-93	Lon	5.000	10.250	2,580,437.50	755,250.00	—
	2834/80	7,604,000.00	UW	Dec 31, 1980-95	C	Serial	13.500	1,026,540.00	720,000.00	—
	1005	1,311,000.00	M	Mar 1, 1966-96	C	Serial	6.000	74,700.00	132,000.00	—
	1158/76	6,230,000.00	UW	Mar 1, 1976-91/96	NY	5.000	9.250	576,275.00	188,411.32	3,124,266.06(1)
	2622/80	1,000,000.00	UW	May 16, 1980-96	C	5.000	14.000	140,000.00	30,849.04	492,433.20
	4347/86	6,779,881.65	UW	Aug 1, 1986-96	C	5.000	9.750	661,038.46	203,396.45	425,644.72
	2179/79	10,266,664.80	UW	Jan 23, 1979-99	NY	Serial	9.750	955,499.78	609,085.58	2,819,516.85(2)
	4783/88	23,800,000.00	UW	Feb 23, 1988-2003	C	5.000	10.000	2,380,000.00	1,102,946.44	—
		$179,734,162.20						$18,336,483.39	$7,037,575.30	$23,538,422.06
Land Drainage										
(Storm Water Relief Sewers, Drainage Sewers and Flood Control)	19679	$ 245,000.00	W	May 1, 1969-89	C	4.000	8.250	$ 10,106.25	$ 8,227.53	$ 233,753.58
	1180	160.80	T	July 1, 1969-89	C	Serial	8.000	11.79	160.80	—
	749/74	88,668.44	UW	Nov 1, 1974-89	C	5.000	8.750	7,758.49	4,109.10	81,194.70
	800/74	736,681.40	UW	Nov 1, 1974-89	C	5.000	10.750	79,193.25	34,139.50	674,587.39
	104/69	14,960.00	TR	Dec 1, 1969-89	C	Serial	8.000	1,196.80	14,960.00	—
	8372	27,380.00	SV	Dec 31, 1969-89	C	Serial	9.250	2,532.65	27,380.00	—
	8373	15,120.00	SV	Dec 31, 1969-89	C	Serial	8.000	1,209.60	15,120.00	—
	8376	14,500.00	SV	Mar 31, 1970-90	C	Serial	9.250	1,341.25	7,000.00	—
	4025/85	6,150,000.00	UW	July 16, 1985-90	Lon	5.000	10.625	653,437.50	184,500.00	595,022.03
	1218/23	14,364.00	T	Dec 1, 1970-90	C	Serial	9.250	1,328.67	6,804.00	—
	69/70	40,870.00	TR	Dec 1, 1970-90	C	Serial	9.250	3,780.47	19,430.00	—
	2835/80	1,400,599.31	UW	Dec 31, 1980-90	C	Serial	13.500	189,080.37	656,031.92	—
	19230	93,168.85	W	Feb 1, 1966-91	C	Instal	5.375	5,007.83	29,445.24	—
	19321	50,204.18	W	June 1, 1966-91	C	Instal	5.250	2,635.72	15,886.11	—
	19322	66,650.12	W	June 1, 1966-91	C	Instal	5.375	3,582.44	21,064.22	—
	3807/84	10,103,400.00	UW	Sept 30, 1984-91	Lon	5.000	12.750	1,288,183.50	303,102.00	1,322,872.16
	19363	54,206.23	W	Dec 1, 1966-91	C	Instal	5.625	3,049.10	17,089.44	—
	19852	1,000,000.00	W	Dec 1, 1971-91	C	4.000	7.750	77,500.00	33,581.75	798,420.27
	4510/87	3,850,000.00	UW	Feb 24, 1987-92	Lon	5.000	9.000	346,500.00	115,500.00	120,404.82
	3326/82	1,624,400.00	UW	Dec 31, 1982-92	C	Serial	12.375	201,019.50	338,000.00	—
	4247/86	4,750,000.00	UW	May 1, 1986-93	Lon	5.000	9.400	446,983.12	142,500.00	301,929.30
	5010/88	4,000,000.00	UW	Dec 1, 1988-93	Lon	5.000	10.250	410,000.00	120,000.00	—
	885/75	3,500,000.00	UW	Mar 17, 1975-95	C	5.000	9.750	341,250.00	105,849.05	1,949,127.94
	1158/76	10,000,000.00	UW	Mar 1, 1976-91/96	NY	5.000	9.250	925,000.00	302,425.87	5,014,873.18(1)
	2622/80	1,800,000.00	UW	May 16, 1980-96	C	5.000	14.000	252,000.00	55,528.27	886,379.81
	4347/86	30,032,318.25	UW	Aug 1, 1986-96	C	5.000	9.750	2,928,151.02	900,969.55	1,885,445.56
	1853/78	11,000,000.00	UW	Feb 1, 1978-98	C	5.000	9.750	1,072,500.00	332,668.46	4,375,139.39
	2179/79	1,466,666.40	UW	Jan 23, 1979-99	NY	Serial	9.750	136,499.97	87,012.23	402,788.18(2)
	4783/88	8,750,000.00	UW	Feb 23, 1988-2003	C	5.000	10.000	875,000.00	405,495.02	—
	2424/79	650,274.93	UW	June 1, 1979-2009	C	Instal	10.000	66,653.18	9,857.61	—
	2581/80	1,403,952.09	UW	Jan 1, 1980-2010	C	Instal	10.000	143,905.09	19,042.24	—
		$102,943,545.00						$10,476,397.56	$4,332,879.91	$18,641,938.31

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves

(2) Deferred Serial—Provision for repayment on Sinking Fund basis.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No.	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1989 Interest	Annual Charges 1989 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1988
Solid Waste Disposal										
(Incinerators, Land Fill and Disposal Sites)	4025/85	$ 620,000.00	UW	July 16,1985-90	Lon	5.000	10.625	$ 65,875.00	$ 18,600.00	$ 59,985.96
	2835/80	390,975.95	UW	Dec. 31, 1980-90	C	Serial	13.500	52,782.70	183,134.48	—
	3807/84	31,000.00	UW	Sept. 30,1984-91	Lon	5.000	12.750	3,952.50	930.00	4,058.94
	4510/87	140,000.00	UW	Feb. 24,1987-92	Lon	5.000	9.000	12,600.00	4,200.00	4,378.36
	3326/82	379,027.80	UW	Dec. 31,1982-92	C	Serial	12.375	46,904.70	78,866.39	—
	4247/86	1,250,000.00	UW	May 1,1986-93	Lon	5.000	9.400	117,841.00	37,500.00	79,455.08
	5010/88	2,575,000.00	UW	Dec. 1, 1988-93	Lon	5.000	10.250	263,937.50	77,250.00	—
	68/66B	29,882.86	WK	Dec. 31, 1965-95	C	Instal.	6.000	1,792.97	3,560.10	—
	4347/86	1,167,923.48	UW	Aug. 1,1986-96	C	5.000	9.750	113,872.54	35,037.71	73,322.90
	1853/78	2,500,000.00	UW	Feb. 1, 1978-98	C	5.000	9.750	243,750.00	75,606.47	994,349.87
	2179/79	733,333.20	UW	Jan. 23, 1979-99	NY	Serial	9.750	68,249.99	43,506.11	201,394.04(2)
	4783/88	700,000.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	70,000.00	32,439.60	—
		$10,517,143.29						$1,061,558.90	$590,630.86	$ 1,416,945.15
Culture and Recreation										
(Parks, Swimming Pools, Arenas, Golf Courses, Zoo, Libraries, etc.)	1533	$ 650,000.00	M	July 1, 1969-89	NY	4.000	8.000	$ 52,000.00	$ 21,829.00	$ 616,149.08(1)
	710	650,000.00	M	Oct. 1, 1964-84/89	NY	3.500	4.750	30,875.00	16,688.00	617,230.38(1)
	1659	373.20	C	Nov. 1, 1969-89	C	Serial	8.000	29.86	373.20	—
	749/74	35,465.78	UW	Nov. 1, 1974-89	C	5.000	8.750	3,103.26	1,643.56	32,476.27
	800/74	294,659.30	UW	Nov. 1, 1974-89	C	5.000	10.750	31,675.87	13,655.19	269,822.88
	1633	400,000.00	M	Feb. 1, 1970-90	C	4.000	9.500	38,000.00	13,433.00	357,066.56
	4025/85	3,050,000.00	UW	July 16,1985-90	Lon	5.000	10.625	324,062.50	91,500.00	295,092.22
	1719	150,000.00	M	Oct. 1, 1970-90	C	4.000	9.250	13,875.00	5,037.00	130,464.17
	70/70	61,000.00	TR	Dec. 1, 1970-90	C	Serial	9.250	5,642.50	29,000.00	—
	2835/80	696,396.50	UW	Dec. 31, 1980-90	C	Serial	13.500	94,013.66	326,189.15	—
	1802	60,000.00	M	Arp. 1, 1971-91	C	4.000	7.500	4,500.00	2,015.00	49,184.30
	3807/84	2,703,760.00	UW	Sep. 30, 1984-91	Lon	5.000	12.750	344,729.40	81,112.80	354,012.40
	1891	300,000.00	M	Nov. 1, 1971-91	C	4.000	8.250	24,750.00	10,075.00	240,322.30
	4510/87	2,430,000.00	UW	Feb. 24, 1987-92	Lon	5.000	9.000	218,700.00	72,900.00	75,995.77
	3326/82	1,082,932.20	UW	Dec. 31, 1982-92	C	Serial	12.375	134,012.85	225,333.61	—
	4247/86	2,500,000.00	UW	May 1, 1986-93	Lon	5.000	9.400	235,682.02	75,000.00	158,910.16
	383/73	900,000.00	UW	June 1, 1973-93	C	4.000	8.125	73,125.00	30,223.58	619,311.00
	5010/88	1,600,000.00	UW	Dec. 1, 1988-93	Lon	5.000	10.250	164,000.00	48,000.00	—
	885/75	1,500,000.00	UW	Mar. 17, 1975-95	C	5.000	9.750	146,250.00	45,363.88	835,340.47
	16/68/B	46,750.82	WK	Dec. 1, 1968-95	C	Instal.	0.000	—	6,678.66	—
	1005	269,000.00	M	Mar. 1, 1966-96	C	Serial	6.000	15,300.00	28,000.00	—
	1158/76	15,000,000.00	UW	Mar. 1, 1976-91/96	NY	5.000	9.250	1,387,500.00	453,638.81	7,522,309.91(1)
	2622/80	3,000,000.00	UW	May 16, 1980-96	C	5.000	14.000	420,000.00	92,547.12	1,477,299.66
	4347/86	9,259,964.78	UW	Aug. 1, 1986-96	C	5.000	9.750	902,846.58	277,798.94	581,345.71
	1243	107,412.80	M	Sept. 1, 1967-97	C	Instal.	5.625	6,041.97	9,493.36	—
	1853/78	1,500,000.00	UW	Feb. 1, 1978-98	C	5.000	9.750	146,250.00	45,363.88	596,609.91
	2179/79	733,333.20	UW	Jan. 23, 1979-99	NY	Serial	9.750	68,249.99	43,506.11	201,394.06(2)
	4783/88	8,225,000.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	822,500.00	381,165.32	—
		$57,206,048.58						$5,707,715.46	$2,447,564.17	$15,030,337.21

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.
(2) Deferred Serial—Provision for repayment on Sinking Fund basis.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No.	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates %		Annual Charges 1989		
						Sinking Fund	Debt	Interest	Principal Amortization	Sinking Fund Reserve at Dec. 31, 1988
Protection										
(Firehalls, Police Garage and Public Safety Building)	4772B	$ 22,000.00	SB	Oct. 1, 1969-89	C	Serial	7.000	$ 1,540.00	$ 22,000.00	$ —
	4025/85	680,000.00	UW	Jul. 16, 1985-90	Lon	5.000	10.625	72,250.00	20,400.00	65,791.05
	19297	57,149.41	W	Apr. 1, 1966-91	C	Instal.	5.375	3,071.78	18,061.60	—
	3807/84	1,156,015.00	UW	Sept. 30, 1984-91	Lon	5.000	12.750	147,391.91	34,680.45	151,360.94
	19351	391,837.89	W	Oct. 1, 1966-91	C	Instal.	5.375	21,061.29	123,837.13	—
	4510/87	1,165,000.00	UW	Feb. 24,1987-92	Lon	5.000	9.000	104,850.00	34,950.00	36,434.19
	4247/86	2,090,000.00	UW	May 1, 1986-93	Lon	5.000	9.400	195,047.18	62,700.00	132,848.89
	5010/88	1,540,000.00	UW	Dec. 1, 1988-93	Lon	5.000	10.250	157,850.00	46,200.00	—
	4347/86	3,839,536.77	UW	Aug. 1, 1986-96	C	5.000	9.750	374,354.82	115,186.10	241,048.23
	2179/79	733,333.20	UW	Jan. 23, 1986-99	NY	Serial	9.750	68,249.99	43,506.11	201,394.02(2)
	4783/88	3,425,000.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	342,500.000	158,722.33	—
		$15,099,872.27						$1,488,166.97	$ 680,243.72	$ 828,877.32
Health and Social Development										
(Urban Renewal, Community Health Centres and Hospital Capital Grants)	1633	$ 500,000.00	M	Feb. 1, 1970-90	C	4.000	9.500	$ 47,500.00	$ 16,791.00	$ 446,326.55
	4025/85	1,600,000.00	UW	July 16, 1985-90	Lon	5.000	10.625	170,000.00	48,000.00	154,802.48
	1719	500,000.00	M	Oct. 1, 1970-90	C	4.000	9.250	46,250.00	16,791.00	434,906.45
	1802	720,000.00	M	Apr. 1, 1971-91	C	4.000	7.500	54,000.00	24,179.00	590,187.34
	4510/87	545,000.00	UW	Feb. 24, 1987-92	Lon	5.000	9.000	49,050.00	16,350.00	17,044.32
	4247/86	1,800,000.00	UW	May 1, 1986-93	Lon	5.000	9.400	170,666.30	54,000.00	114,415.31
	5010/88	460,000.00	UW	Dec. 1, 1988-93	Lon	5.000	10.250	47,150.00	13,800.00	—
	2622/80	200,000.00	UW	May 16, 1980-96	C	5.000	14.000	28,000.00	6,169.81	98,486.63
	4347/86	3,294,169.93	UW	Aug. 1, 1986-96	C	5.000	9.750	321,181.58	98,825.10	206,809.82
	2179/79	1,466,666.40	UW	Jan. 23, 1986-99	NY	Serial	9.750	136,499.97	87,012.23	402,788.18(2)
		$11,085,836.33						$1,070,297.85	$ 381,918.14	$ 2,465,767.08
General Government										
(Administration and Council Buildings, Parking Garage, Refunding Issues and Signals Building)	19050	$ 2,500,000.00	W	Nov 1, 1964-84/89	NY	4.000	4.750	$ 118,750.00	$ 60,029.93	$ 2,361,552.47(1)
	4025/85	226,000.00	UW	July 16, 1985-90	Lon	5.000	10.625	24,012.50	6,780.00	21,865.85
	19336	233,927.01	W	Aug 1, 1966-91	C	Instal.	5.375	12,573.57	73,930.70	—
	3614/83	21,001.34	UW	Dec 15, 1983-93	C	Instal.	6.375	1,360.17	3,690.29	—
		$ 2,980,928.35						$ 156,696.24	$ 144,430.92	$ 2,383,418.32
Special Projects	5010/88	$ 650,000.00	UW	Dec 1, 1988-93	Lon	5.000	10.250	$ 66,625.00	$ 19,500.00	$ —
	4783/88	1,922,147.00	UW	Feb 23, 1988-2003	C	5.000	10.000	192,214.70	89,076.69	—
		$ 2,572,147.00						$ 258,839.70	$ 108,576.69	$ —
Downtown Parking	3807/84	$ 337,000.00	UW	Sept. 30, 1984-91	Lon	5.000	12.750	$ 42,967.50	$ 10,110.00	$ 44,124.54
	19852	1,000,000.00	W	Dec. 1, 1971-91	C	4.000	7.750	77,500.00	33,581.75	798,420.27
	1158/76	3,000,000.00	UW	Mar. 1, 1976-91/96	NY	5.000	9.250	277,500.00	90,727.76	1,504,461.95(1)
	4347/86	491,362.09	UW	Aug. 1, 1986-96	C	5.000	9.750	47,907.80	14,740.86	30,847.97
	1853/78	5,000,000.00	UW	Feb. 1, 1978-98	C	5.000	9.750	487,500.00	151,212.94	1,988,699.75
	2179/79	733,333.20	UW	Jan. 23, 1986-99	NY	Serial	9.750	68,249.99	43,506.11	201,394.01(2)
		$10,561,695.29						$ 1,001,625.29	$ 343,879.42	$ 4,567,948.49
Convention Centre	685/74	$ 717,183.32	UW	Mar. 23, 1973-93	C	Instal.	6.980	$ 50,059.40	$ 124,761.25	$ —
	383/73	4,100,000.00	UW	June 1, 1973-93	C	4.000	8.125	333,125.00	137,685.18	2,821,305.29
	750/74	3,000,000.00	UW	Aug. 1, 1974-94	C	5.000	10.750	322,500.00	112,922.57	2,259,209.39
	1158/76	770,000.00	UW	Mar. 1, 1976-91/96	NY	5.000	9.250	71,225.00	23,286.79	386,145.17(1)
	4783/88	800,000.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	80,000.00	37,073.83	—
		$ 9,387,183.32						$ 856,909.40	$ 435,729.62	$ 5,466,659.85

(1) Recorded at par with Canadian Dollar — equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.

(2) Deferred Serial — Provision for repayment on Sinking Fund basis.

GENERAL DEBENTURE DEBT—Continued

Purpose of Issue	By-Law No	Amount of Debt	Issued By	Term of Debt	Payable	Interest Rates %		Annual Charges 1989		Sinking Fund Reserve at Dec. 31, 1988
						Sinking Fund	Debt	Interest	Principal Amortization	
Civic Accomodations	4025/85	$ 480,000.00	UW	July 16, 1985-90	Lon	5.000	10.625	$ 51,000.00	$ 14,400.00	$ 46,440.74
	2835/80	820,138.14	UW	Dec. 31, 1980-90	C	Serial	13.500	110,718.51	384,148.19	—
	3807/84	1,035,225.00	UW	Sept 30, 1984-91	Lon	5.000	12.750	131,991.19	31,056.75	135,545.50
	4510/87	700,000.00	UW	Feb 24, 1987-92	Lon	5.000	9.000	63,000.00	21,000.00	21,891.79
	3326/82	974,640.00	UW	Dec 31, 1982-92	C	Serial	12.375	120,611.70	202,800.00	—
	4247/86	230,000.00	UW	May 1, 1986-93	Lon	5.000	9.400	20,317.40	6,900.00	14,619.73
	5010/88	2,200,000.00	UW	Dec. 1, 1988-93	Lon	5.000	10.250	225,500.00	66,000.00	—
	4347/86	2,217,386.16	UW	Aug 1, 1986-96	C	5.000	9.750	216,195.14	66,521.59	139,208.74
	2179/79	1,466,666.40	UW	Jan. 23, 1979-99	NY	Serial	9.750	136,499.97	87,012.23	402,788.19(2)
	4783/88	900,000.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	90,000.00	41,708.06	—
		$ 11,024,055.70						$ 1,165,833.91	$ 921,546.82	$ 760,494.69
City Developments/Development Agreements	4347/86	$ 484,564.78	UW	Aug 1, 1986-96	C	5.000	9.750	$ 47,245.08	$ 14,536.94	$ 30,421.24
	2179/79	733,333.20	UW	Jan 23, 1979-99	NY	Serial	9.750	68,249.99	43,506.11	201,394.02(2)
		$ 1,217,897.98						$ 115,495.07	$ 58,043.05	$ 231,815.26
Old Market Square	2835/80	$ 355,209.24	UW	Dec. 31, 1980-90	C	Serial	13.500	$ 47,952.71	$ 166,376.39	$ —
	3807/84	104,400.00	UW	Sept 30, 1984-91	Lon	5.000	12.750	13,311.00	3,132.00	13,669.44
	3614/83	64,714.31	UW	Dec 15, 1983-93	C	Instal	6.375	4,191.29	11,371.38	—
		$ 524,323.55						$ 65,455.00	$ 180,879.77	$ 13,669.44
Overhead Walkways	2835/80	$ 34,265.11	UW	Dec. 31, 1980-90	C	Serial	13.500	$ 4,626.60	$ 16,052.41	$ —
	3807/84	44,000.00	UW	Sept. 30, 1984-91	Lon	5.000	12.750	5,610.00	1,320.00	5,761.06
	4247/86	533,000.00	UW	May 1, 1986-93	Lon	5.000	9.400	48,761.80	15,990.00	33,879.65
	4783/88	460,000.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	46,000.00	21,317.45	—
		$ 1,071,265.11						$ 104,998.40	$ 54,679.86	$ 39,640.71
Core Area Program	4025/85	$ 4,919,000.00	UW	July 16, 1985-90	Lon	5.000	10.625	$ 522,643.75	$ 147,570.00	$ 475,920.86
	3807/84	6,000,000.00	UW	Sept. 30, 1984-91	Lon	5.000	12.750	765,000.00	180,000.00	785,600.19
	4510/87	4,470,000.00	UW	Feb. 24, 1987-92	Lon	5.000	9.000	402,300.00	134,100.00	139,794.69
	4247/86	6,500,000.00	UW	May 1, 1986-93	Lon	5.000	9.400	609,522.46	195,000.00	413,166.41
	5010/88	6,350,000.00	UW	Dec. 1, 1988-93	Lon	5.000	10.250	650,875.00	190,500.00	—
	4347/86	2,245,577.65	UW	Aug. 1, 1986-96	C	5.000	9.750	218,943.82	67,367.33	140,978.60
	4783/88	3,401,000.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	340,100.00	157,610.12	—
		$ 33,885,577.65						$ 3,509,385.03	$ 1,072,147.45	$ 1,955,460.75
North Portage Development	4025/85	$ 500,000.00	UW	July 16, 1985-90	Lon	5.000	10.625	$ 53,125.00	$ 15,000.00	$ 48,375.77
	4510/87	4,000,000.00	UW	Feb. 24, 1987-92	Lon	5.000	9.000	360,000.00	120,000.00	125,095.91
	4783/88	17,000,000.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	1,700,000.00	787,818.89	—
		$ 21,500,000.00						$ 2,113,125.00	$ 922,818.89	$ 173,471.68

GENERAL DEBENTURE DEBT—Continued

North Ellice Neighbourhood	4025/85	$ 25,000.00	UW	July 16, 1985-90	Lon	5.000	10.625	$ 2,656.25	$ 750.00	$ 2,418.78
	4783/88	225,500.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	22,550.00	10,450.19	—
		$250,500.00						$25,206.25	$11,200.19	$ 2,418.78
Land Acquisition	5010/88	$ 450,000.00	UW	Dec. 1, 1988-93	Lon	5.000	10.250	$ 46,125.00	$ 13,500.00	$ —
	4783/88	391,353.00	UW	Feb. 23, 1988-2003	C	5.000	10.000	39,135.30	18,136.19	—
		$ 841,353.00						$ 85,260.30	$ 31,636.19	$ —
Total General		$472,403,534.62						$47,599,449.72	$19,756,380.97	$77,517,285.10

(1) Recorded at par with Canadian Dollar—Equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves
(2) Deferred Serial—Provision for repayment on Sinking Fund basis

Debt Issued By

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification Jan. 1/72)
M—The Metropolitan Corporation of Greater Winnipeg
C—Rural Municipality of Charleswood
FG—Rural Municipality of Fort Garry
SB—City of St. Boniface
SV—City of St. Vital
TR—City of Transcona
T—Town of Tuxedo
WK—City of West Kildonan

Local Improvement Debenture Debt

		Amount of Debt					Interest Rates %		Annual Charges 1989		
By-Law No.	Debt Issued By	City at Large	Frontage Owners	Total	Term of Debt	Payable	Sinking Fund	Debt	Interest	Principal Amortization	Sinking Fund Reserve at Dec. 31, 1988
19679	W	$ 151,149.60	$ 103,850.40	$ 255,000.00	May 1, 1969-89	C	4.000	8.250	$ 10,518.75	$ 8,563.35	$ 243,294.60
1180	T	763.20	10,800.00	11,563.20	Jul 1, 1969-89	C	Serial	8.000	847.97	11,563.20	—
1659	C	—	401.00	401.00	Nov. 1, 1969-89	C	Serial	8.000	32.08	401.00	—
749/74	UW	2,519.02	6,346.76	8,865.78	Nov. 1, 1974-89	C	5.000	8.750	775.75	410.86	8,118.43
800/74	UW	20,928.70	52,730.60	73,659.30	Nov. 1, 1974-89	C	5.000	10.750	7,918.38	3,413.54	67,450.66
104/69	TR	—	7,040.00	7,040.00	Dec. 1, 1969-89	C	Serial	8.000	563.20	7,040.00	—
4853	SB	—	1,976.62	1,976.62	Dec. 31, 1970-89	C	Instal.	7.000	138.28	1,976.62	—
8372	SV	—	9,620.00	9,620.00	Dec. 31, 1969-89	C	Serial	9.250	889.85	9,620.00	—
8373	SV	—	12,880.00	12,880.00	Dec. 31, 1969-89	C	Serial	8.000	1,030.40	12,880.00	—
8376	SV	—	14,500.00	14,500.00	Mar. 31, 1970-90	C	Serial	9.250	1,341.25	7,000.00	—
1218/1223	T	11,172.00	44,840.00	56,012.00	Dec. 1, 1970-90	C	Serial	9.250	5,181.11	26,532.00	—
1741	C	—	6,000.00	6,000.00	Dec. 1, 1971-90	C	Serial	8.000	480.00	4,000.00	—
69/70	TR	—	20,130.00	20,130.00	Dec. 1, 1970-90	C	Serial	9.250	1,862.03	9,570.00	—
4892	SB	—	2,705.00	2,705.00	Dec. 31, 1971-90	C	Instal.	9.000	243.45	1,294.14	—
4893	SB	—	1,227.73	1,227.73	Dec. 31, 1971-90	C	Instl.	9.000	110.50	587.35	—
4897	SB	—	3,154.21	3,154.21	Dec. 31,1971-90	C	Instal.	7.000	220.79	1,523.77	—
4904	SB	—	1,710.67	1,710.67	Dec. 31, 1971-90	C	Instal.	9.000	153.96	818.52	—
19829	W	—	60,000.00	60,000.00	June 15, 1971-91	C	4.000	8.500	5,100.00	2,014.90	48,789.41
1239B	T	12,400.00	49,600.00	62,000.00	July 1, 1971-91	C	Serial	9.000	5,580.00	19,000.00	—
5485	FG	—	11,937.87	11,937.87	Dec. 1, 1971-91	C	Instal.	8.250	1,005.19	3,662.27	—
		$ 198,932.52	$ 421,450.86	$ 620,383.38					$ 43,992.94	$131,871.52	$ 367,653.10
						City at Large			$ 10,910.55	$ 16,017.69	$ 165,682.59
						Frontage Owners			33,082.39	115,853.83	201,970.51
									$ 43,992.94	$131,871.52	$ 367,653.10

Municipal Hospital Commission Debenture Debt

					Interest Rates %		Annual Charges 1989		
By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Sinking Fund	Debt	Interest	Principal Amortization	Sinking Fund Reserve at Dec. 31, 1988
5010/88	UW	$6,000,000.00	Dec. 1, 1988-93	Lon	5.000	10.250	$ 615,000.00	$ 180,000.00	—

City Owned Utilities—Debenture Debt

Hydro Electric System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1989 Interest	Annual Charges 1989 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1988
19050	W	4,000,000.00	Nov. 1, 1964-84/89	NY	4.000	4.750	$ 190,000.00	$ 96,047.88	$ 3,778,483.64(1)
749/74	UW	88,665.78	Nov. 1, 1974-89	C	5.000	8.750	7,758.26	4,108.98	81,192.40
800/74	UW	736,659.30	Nov. 1, 1974-89	C	5.000	10.750	79,190.87	34,138.47	674,567.03
4025/85	UW	2,000,000.00	Jul. 16, 1985-90	Lon	5.000	10.625	212,500.00	60,000.00	193,503.10
19775	W	3,000,000.00	Dec. 1, 1970-90	C	4.000	9.250	277,500.00	100,745.25	2,592,147.78
19829	W	1,000,000.00	June 15, 1971-91	C	4.000	8.500	85,000.00	33,581.75	813,158.96
3807/84	UW	7,000,000.00	Sept. 30, 1984-91	Lon	5.000	12.750	892,500.00	210,000.00	916,533.56
19852	W	3,000,000.00	Dec. 1, 1971-91	C	4.000	7.750	232,500.00	100,745.25	2,395,260.87
4510/87	UW	12,000,000.00	Feb. 24, 1987-92	Lon	5.000	9.000	1,080,000.00	360,000.00	375,287.76
5010/88	UW	6,000,000.00	Dec. 1, 1988-93	Lon	5.000	10.250	615,000.00	180,000.00	—
585/74	UW	10,000,000.00	Apr. 1, 1974-94	C	5.000	8.750	875,000.00	302,425.87	6,149,603.49
1158/76	UW	10,000,000.00	Mar. 1, 1976-91/96	NY	5.000	9.250	925,000.00	302,425.87	5,014,873.19(1)
2622/80	UW	10,500,000.00	May 16, 1980-96	C	5.000	14.000	1,470,000.00	323,914.94	5,170,548.82
1853/78	UW	2,000,000.00	Feb. 1, 1978-98	C	5.000	9.750	195,000.00	60,485.17	795,479.86
4783/88	UW	10,000,000.00	Feb. 23, 1988-2003	C	5.000	10.000	1,000,000.00	463,422.88	—
		$81,325,325.08					$8,136,949.13	$2,632,042.31	$28,950,640.46

Transit System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1989 Interest	Annual Charges 1989 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1988
1533	M	2,000,000.00	July 1, 1969-89	NY	4.000	8.000	160,000.00	67,164.00	1,895,782.50(1)
1633	M	1,100,000.00	Feb. 1, 1970-90	C	4.000	9.500	104,500.00	36,940.00	981,913.07
4025/85	UW	1,000,000.00	July 16, 1985-90	Lon	5.000	10.625	106,250.00	30,000.00	96,751.55
4246/86	UW	6,960,000.00	Dec. 1, 1986-90	C	5.000	9.375	652,500.00	208,800.00	429,857.89
4510/87	UW	3,500,000.00	Feb. 24, 1987-92	Lon	5.000	9.000	315,000.00	105,000.00	109,458.93
5010/88	UW	3,000,000.00	Dec. 1, 1988-93	Lon	5.000	10.250	307,500.00	90,000.00	—
2622/80	UW	1,500,000.00	May 16, 1980-96	C	5.000	14.000	210,000.00	46,273.56	738,649.83
4347/86	UW	1,668,462.13	Aug. 1, 1986-96	C	5.000	9.750	162,675.06	50,053.86	104,746.96
4783/88	UW	4,000,000.00	Feb. 23, 1988-2003	C	5.000	10.000	400,000.00	185,369.15	—
		$24,728,462.13					$2,418,425.06	$819,600.57	$4,357,160.73

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.

Debt Issued by

W—City of Winnipeg (former)
UW—The City of Winnipeg (after unification January 1, 1972)
M—Metropolitan Corporation of Greater Winnipeg

City Owned Utilities—Debenture Debt

Water Works System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1989 Interest	Annual Charges 1989 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1988
579	M	2,160,000.00	May 1, 1964-89	C	3.500	5.500	$ 59,400.00	$ 55,456.00	$ 2,080,954.47
1180	T	145.20	July 1, 1969-89	C	Serial	8.000	10.65	145.20	—
710	M	700,000.00	Oct. 1, 1964-84/89	NY	3.500	4.750	33,250.00	17,972.00	664,721.06 (1)
749/74	UW	44,334.22	Nov. 1, 1974-89	C	5.000	8.750	3,879.24	2,054.55	40,597.35
800/74	UW	368,340.70	Nov. 1, 1974-89	C	5.000	10.750	39,596.63	17,069.75	337,293.69
814	M	500,000.00	Apr. 1, 1965-1990	C	3.500	5.500	27,500.00	12,837.00	453,991.10
4025/85	UW	1,000,000.00	July 16, 1985-90	Lon	5.000	10.625	106,250.00	30,000.00	96,751.55
1719	M	1,300,000.00	Oct. 1, 1970-90	C	4.000	9.250	120,250.00	43,656.00	1,130,741.22
1218/1223	T	3,040.00	Dec. 1, 1970-90	C	Serial	9.250	281.20	1,440.00	—
4246/86	UW	200,000.00	Dec. 1, 1986-90	C	5.000	9.375	18,750.00	6,000.00	12,352.24
4893	SB	2,475.86	Dec. 31, 1971-90	C	Instal.	9.000	222.82	1,184.44	—
4897	SB	26,078.50	Dec. 31, 1971-90	C	Instal.	7.000	1,825.50	12,598.31	—
19829	W	500,000.00	June 15, 1971-91	C	4.000	8.500	42,500.00	16,790.88	406,579.60
3807/84	UW	1,000,000.00	Sept. 30, 1984-91	Lon	5.000	12.750	127,500.00	10,000.00	43,644.46
1891	M	225,000.00	Nov. 1, 1971-91	C	4.000	8.250	18,562.50	7,556.00	180,235.74
4510/87	UW	500,000.00	Feb. 24, 1987-92	Lon	5.000	9.000	45,000.00	15,000.00	15,636.99
3327/82	UW	4,000,000.00	Dec. 31, 1982-92	C	5.000	12.750	510,000.00	318,018.30	2,163,132.74
386	M	720,000.00	May 1, 1963-93	C	Serial	5.250	34,387.50	130,000.00	—
383/73	UW	2,000,000.00	June 1, 1973-93	C	4.000	8.125	162,500.00	67,163.49	1,376,246.27
5010/88	UW	8,000,000.00	Dec. 1, 1988-93	Lon	5.000	10.250	820,000.00	240,000.00	—
885/75	UW	2,500,000.00	Mar. 17, 1975-95	C	5.000	9.750	243,750.00	75,606.47	1,392,234.36
858	M	68,768.87	July 2, 1965-95	C	Instal.	5.375	3,696.32	8,350.32	—
1158/76	UW	5,000,000.00	Mar. 1, 1976-91/96	NY	5.000	9.250	462,500.00	151,212.94	2,507,436.68 (1)
1013	M	88,140.46	Apr. 1, 1966-96	C	Instal.	5.375	4,736.80	9,105.72	—
1108	M	132,565.29	Apr. 1, 1966-96	C	Instal.	5.375	7,125.38	13,697.40	—
2622/80	UW	4,500,000.00	May 16, 1980-96	C	5.000	14.000	630,000.00	138,820.69	2,215,949.49
4347/86	UW	8,864,552.41	Aug. 1, 1986-96	C	5.000	9.750	864,293.86	265,936.57	556,521.50
1163	M	132,981.02	Oct. 1, 1966-96	C	Instal.	5.375	7,147.73	13,740.35	—
1853/78	UW	3,500,000.00	Feb. 1, 1978-98	C	5.000	9.750	341,250.00	105,849.06	1,392,089.86
1466	M	737,056.54	Nov. 1, 1968-98	C	Instal.	5.625	41,459.43	56,911.35	—
2403/79	UW	124,945.26	Apr. 1, 1979-99	C	Instal.	9.625	12,315.36	6,794.80	—
2675/80	UW	429,758.66	May 1, 1980-2000	C	Instal.	11.000	48,573.47	18,577.87	—
2676/80	UW	2,092,685.90	May 1, 1980-2000	C	Instal.	9.500	203,526.78	99,486.77	—
2709/80	UW	52,625.69	June 1, 1980-2000	C	Instal.	9.625	5,187.10	2,482.26	—
2710/80	UW	76,960.79	June 1, 1980-2000	C	Instal.	10.000	7,888.48	3,545.23	—
4783/88	UW	2,000,000.00	Feb. 23, 1988-2003	C	5.000	10.000	200,000.00	92,684.58	—
		$53,550,455.37					$5,255,116.75	$2,067,744.30	$17,067,110.37

(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.

Debt Issued by
W—City of Winnipeg (former).
UW—The City of Winnipeg (after unification Jan. 1/72).
M—The Metropolitan Corporation of Greater Winnipeg.
SB—City of St. Boniface.
T—Town of Tuxedo.

City Owned Utilities—Debenture Debt

Sewage Disposal System

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt		Payable	Interest Rates %		Annual Charges 1989		Sinking Fund Reserve at Dec. 31, 1988
						Sinking Fund	Debt	Interest	Principal Amortization	
579	M	$ 2,000,000.00	May	1, 1964-89	C	3.500	5.500	$ 55,000.00	$ 51,348.00	$ 1,926,804.15 (1)
1180	T	130.80	July	1, 1969-89	C	Serial	8.00	9.59	130.80	—
710	M	2,600,000.00	Oct.	1, 1964-84/89	NY	3.500	4.750	123,500.00	66,753.00	2,468,958.59
1659	C	225.80	Nov.	1, 1969-89	C	Serial	8.00	18.06	225.80	—
814	M	500,000.00	Apr.	1, 1965-90	C	3.500	5.500	27,500.00	12,837.00	453.991.10
4025/85	UW	6,000,000.00	July	16, 1985-90	Lon	5.000	10.625	637,500.00	180,000.00	580,509.29
1218/1223	T	2,584.00	Dec.	1, 1970-90	C	Serial	9.250	239.02	1,224.00	—
4246/86	UW	14,840,000.00	Dec.	1, 1986-90	C	5.000	9.375	1,391,250.00	445,200.00	916,536.06
4904	SB	7,981.57	Dec.	31, 1971-90	C	Instal.	9.000	718.34	3,818.98	—
3807/84	UW	2,000,000.00	Sept.	30, 1984-91	Lon	5.000	12.750	255,000.00	20,000.00	87,288.91
1891	M	675,000.00	Nov.	1, 1971-91	C	4.000	8.250	55,687.50	22,668.00	540,707.22
5485	FG	7,316.76	Dec.	1, 1971-91	C	Instal.	8.250	616.08	2,244.62	—
4510/87	UW	14,000,000.00	Feb.	24, 1987-92	Lon	5.000	9.000	1,260,000.00	420,000.00	437,835.72
586	M	34,991.25	Nov.	1, 1963-93	C	Instal.	5.125	1,816.28	6,308.49	—
5010/88	UW	7,000,000.00	Dec.	1, 1988-93	Lon	5.000	10.250	717,500.00	210,000.00	—
700	M	45,800.07	Mar.	1, 1964-94	C	Instal.	5.125	2,377.33	6,701.21	—
761	M	307,583.09	Aug.	1, 1964-94	C	Instal	5.125	15,965.61	45,003.61	—
859	M	204,870.82	Aug.	1, 1964-94	C	Instal.	5.125	10,634.16	29,975.40	—
860	M	101,659.09	Aug.	1, 1964-94	C	Instal.	5.250	5,407.15	14,826.17	—
900	M	26,177.20	Dec.	1, 1964-94	C	Instal.	5.375	1,425.93	3,805.39	—
885/75	UW	2,500,000.00	Mar.	17, 1975-95	C	5.000	9.750	243,750.00	75,606.47	1,392,234.36
887	M	2,124,914.51	July	1, 1965-95	C	Instal.	5.125	110,297.17	259,471.59	—
1032	M	54,061.28	Sept.	1, 1965-95	C	Instal.	5.375	2,944.84	6,550.02	—
1135	M	428,003.54	Sept.	1, 1965-95	C	Instal.	5.125	22,216.23	52,263.12	—
1033	M	177,209.29	Dec.	1, 1965-95	C	Instal.	5.125	9,198.34	21,638.91	—
1013	M	42,436.62	Apr.	1, 1966-96	C	Instal.	5.375	2,281.72	4,386.24	—
2622/80	UW	2,500,000.00	May	16, 1980-96	C	5.000	14.000	350,000.00	77,122.60	1,231,083.05
4347/86	UW	14,654,299.92	Aug.	1, 1986-96	C	5.000	9.750	1,428,794.24	439,629.00	920,005.06
1279	M	24,004.95	Dec.	1, 1967-97	C	Instal.	5.125	1,246.02	2,159.97	—
1280	M	216,456.71	Dec.	1, 1967-97	C	Instal.	5.875	12,903.61	18,866.71	—
1348	M	15,305.16	Dec.	1, 1967-97	C	Instal.	5.125	794.44	1,377.18	—
1853/78	UW	4,500,000.00	Feb.	1, 1978-98	C	5.000	9.750	438,750.00	136,091.64	1,789,829.71
1443	M	122,716.89	Oct.	1, 1968-98	C	Instal.	6.250	7,789.65	9,159.32	—
2316/79	UW	279,898.01	Feb.	1, 1979-99	C	Instal.	10.000	28,689.55	14,901.64	—
2402/79	UW	394,130.15	Apr.	1, 1979-99	C	Instal.	9.625	38,847.84	21,433.67	—
1545	M	163,223.16	May	1, 1969-1999	C	Instal.	6.375	10,571.31	10,631.63	—
1679	M	21,736.80	Jan.	1, 1970-2000	C	Instal.	6.875	1,520.09	1,215.59	—
1692	M	134,552.52	Jan.	1, 1970-2000	C	Instal.	6.250	8,540.93	7,815.28	—
1766	M	193,722.78	Oct.	1, 1970-2000	C	Instal.	6.875	13,547.35	10,833.85	—
2813/80	UW	2,173,078.10	Oct.	1, 1980-2000	C	Instal.	10.000	222,740.51	100,103.61	—
1923	M	347,635.72	Sept.	1, 1971-2001	C	Instal.	8.250	29,271.47	15,733.81	—
597/74	UW	56,051.84	Jan.	1, 1973-2003	C	Instal.	8.250	4,719.65	1,997.85	—
599/74	UW	39,599.97	Jan.	1, 1973-2003	C	Instal.	7.750	3,128.46	1,469.85	—
600/74	UW	60,358.90	Jan.	1, 1973-2003	C	Instal.	7.500	4,611.80	2,285.93	—

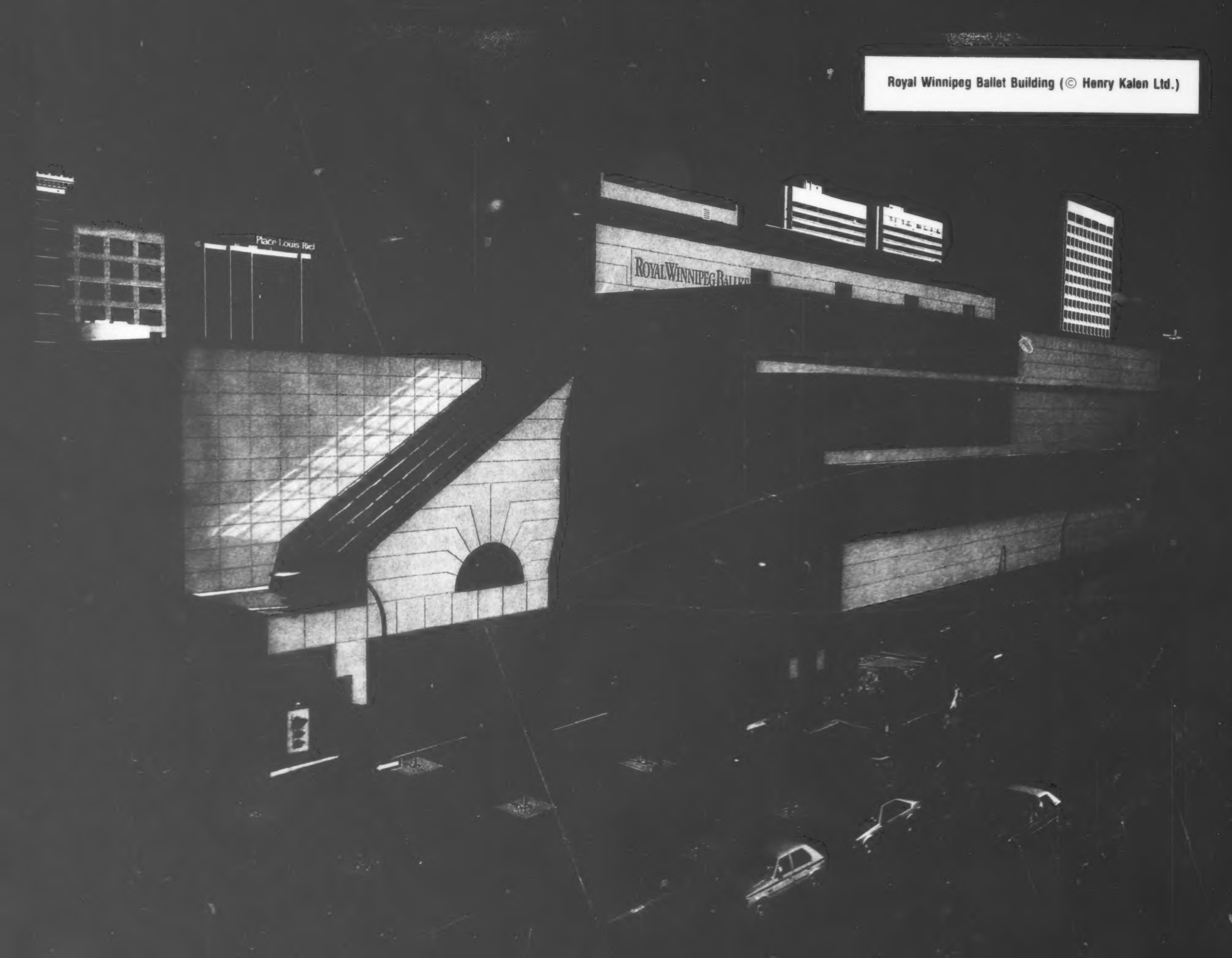
CITY OWNED UTILITIES — DEBENTURE DEBT
SEWAGE DISPOSAL SYSTEM — Continued

By-Law No.	Debt Issued By	Amount of Debt	Term of Debt	Payable	Interest Rates % Sinking Fund	Interest Rates % Debt	Annual Charges 1989 Interest	Annual Charges 1989 Principal Amortization	Sinking Fund Reserve at Dec. 31, 1988
601/74	UW	187,706.39	Jan. 1, 1973-2003	C	Instal.	7.250	13,855.38	7,253.03	—
602/74	UW	48,967.73	Jan. 1, 1973-2003	C	Instal.	7.500	3,741.44	1,854.53	—
4783/88	UW	14,000,000.00	Feb. 23, 1988-2003	C	5.000	10.000	1,400,000.00	648,792.03	—
598/74	UW	2,389,190.46	June 1, 1973-2003	C	Instal.	8.250	201,173.57	85,156.17	—
684/74	UW	118,288.64	Dec. 1, 1973-2003	C	Instal.	8.250	9,960.09	4,216.10	—
996/75	UW	352,840.41	Apr. 1, 1975-2005	C	Instal.	7.500	26,959.21	10,800.13	—
997/75	UW	556,612.82	Apr. 1, 1975-2005	C	Instal.	7.875	44,696.22	16,447.26	—
998/75	UW	31,546.95	Apr. 1, 1975-2005	C	Instal.	7.500	2,410.38	965.63	—
1292/76	UW	1,311,374.58	Nov. 1, 1975-2005	C	Instal.	7.500	100,197.21	40,139.98	—
1293/76	UW	48,241.17	Jan. 1, 1976-2006	C	Instal.	8.000	3,936.48	1,268.24	—
1294/76	UW	445,908.00	Feb. 1, 1976-2006	C	Instal.	10.750	49,223.37	8,813.55	—
1482/77	UW	134,142.80	Dec. 1, 1976-2006	C	Instal.	8.000	10,946.05	3,526.52	—
1483/77	UW	126,245.38	Dec. 1, 1976-2006	C	Instal.	8.000	10,301.62	3,318.89	—
2476/79	UW	1,180,184.80	Jan. 1, 1979-2009	C	Instal.	10.375	125,620.07	17,055.11	—
2401/79	UW	1,004,280.97	Apr. 1, 1979-2009	C	Instal.	10.750	110,861.63	13,831.31	—
2708/80	UW	786,718.98	June 1, 1980-2010	C	Instal.	10.750	86,845.17	9,638.28	—
		$104,299,967.35					$9,760,048.16	$3,708,892.71	$12,745,783.22

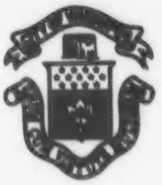
(1) Recorded at par with Canadian Dollar—equivalent in U.S. Dollars provided for by Sinking Fund and Foreign Exchange Reserves.

Debt Issued by

UW — The City of Winnipeg (after unification Jan. 1/72)
M — The Metropolitan Corporation of Greater Winnipeg
C — R.M. of Charleswood
FG — R.M. of Fort Garry
SB — City of St. Boniface
T — Town of Tuxedo


Place Louis Riel
ROYAL WINNIPEG BALLET

Royal Winnipeg Ballet Building (© Henry Kalen Ltd.)



Annual Report of the Sinking Fund Trustees 1988

The Sinking Fund Trustees of the City of Winnipeg

His Worship the Mayor
and Members of the Council
of The City of Winnipeg.

Ladies and Gentlemen:

Pursuant to the requirements of The City of Winnipeg Act, the Sinking Fund Trustees submit the 1988 financial statements of the Sinking Fund duly audited comprising the following:

1. Balance Sheets as at December 31, 1988.
2. Income Account for the year ended December 31, 1988.
3. Surplus Account for the year ended December 31, 1988.
4. Reserve Account for Retirement of Debenture Debt for the year ended December 31, 1988.

Assets of the Sinking Fund amounted to $165,250,783. as at December 31, 1988. The Sinking Fund Reserve requirements amounted to $149,448,423. and the balance of $15,802,360. represents funds payable to the City of Winnipeg and unallocated surplus.

The excess of interest earnings over requirements amounted to $9,540,380. for the year and after adding $1,582,515. representing net gains on disposal of securities and deducting administrative expenses amounting to $88,417. the net excess of investment earnings over requirements amounted to $11,034,478. The balance in Surplus Account at December 31, 1987 of $747,075. added to the net investment earnings over requirements of $11,034,478. less appropriations of $2,042,401. towards Foreign Exchange requirements and $9,019,620. towards Commutation of Levies leaves a balance of $719,532. in Surplus Account as at December 31, 1988.

The rates of interest earned by the Fund for the years 1979 to 1988 are shown below:

1979	9.69%	1984	11.42%
1980	10.18%	1985	11.68%
1981	10.61%	1986	11.05%
1982	11.35%	1987	9.90%
1983	11.59%	1988	9.97%

Changes in Sinking Fund Obligations in 1988:

	Sinking Fund Obligations	Sinking Fund Reserve	Net
January 1, 1988	$473,459,000	$163,447,864	$310,011,136
December 31, 1988	527,105,228	150,167,955	376,937,273
	$ 53,646,228	$ 13,279,909	$ 66,926,137
	Increase	Decrease	Increase

The reserves amounting to $149,448,423. required for the retirement of City of Winnipeg Sinking Fund debt plus the unallocated surplus of $719,532 totals $150,167,955.

The Sinking Fund Trustees administer the assets of the following funds, on which separate reports are being submitted:

Fund	Assets
Sinking Fund	$165,250,783
Workers Compensation Reserve Fund	664,370
Parks Reserve Fund	2,988,121
Insurance Reserve Fund	3,587,522
	$172,490,796

In addition to the above funds the Sinking Fund Trustees administer in trust, allocated income of the following plans. The amounts of the assets administered by the Trustees are:

Fund	Assets
Employee Benefits Board Pension Fund	$410,734,504
Civic Pension Fund	140,974,920
Winnipeg Police Pension Plan	143,643,048
Council Members Pension Fund	36,361
Employee Benefits Board Group Insurance Fund	13,712,666
	$709,101,499

Respectfully submitted,

A. HOWISON
Chairman

C.M. ZEILSTRA
Trustee

M.G. SMITH
Trustee

L. HUTCHEON
(Commissioner of Finance and City Treasurer)
Trustee

D.E. HALL
Secretary

The Sinking Fund Trustees of the City of Winnipeg
Balance Sheet

December 31, 1988

Assets

	1988			1987	
	Par Value	Book Value	% of Total	Book Value	% of Total
INVESTMENT IN BONDS AND DEBENTURES (Notes 1 and 2)					
Government of Canada and Government of Canada guaranteed	$ 47.685.000	$46.589.800	30	$37.704.925	23
Provincial and Provincial guaranteed	6.800.000	6.503.957	4	14.468.333	9
City of Winnipeg	61.185.397	56.258.665	36	57.002.179	35
City of Winnipeg guaranteed	5.627.000	5.615.889	4	6.217.052	4
Other Canadian cities and municipalities, school districts school divisions and other institutions	12.573.000	12.351.782	8	16.361.762	10
Bank certificates of deposit	—	—		10.500.000	6
	$133.870.397	127.320.093	82	142,254.251	87
BOND RESIDUES & COUPONS					
Government of Canada		19.769.865	13	17.007.541	10
Provincial		7.514.199	5	5.765.433	3
		154.604.157	100	165.027.225	100
ACCRUED INTEREST		2.900.209		3.211.091	
CASH		40.781		123.149	
CALL LOANS — CITY OF WINNIPEG		7.400.000		12.050.000	
ACCOUNTS RECEIVABLE (Note 3)		305.636		315.491	
		$165.250.783		$180.726.956	

Liabilities, Reserves and Surplus

	1988	1987
ACCOUNTS PAYABLE		
City of Winnipeg	$ 15.082.828	$ 17.279.092
RESERVE ACCOUNTS		
Retirement of debenture debt (Note 6)	141,704,714	148,579,725
Foreign exchange requirement	7.743.709	14.121.064
SURPLUS ACCOUNT	719,532	747,075
	$165.250.783	$180.726.956

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

Auditors' Report

To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The Sinking Fund Trustees of The City of Winnipeg as at December 31, 1988 and the statements of income, surplus account and reserve for retirement of debenture debt for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Sinking Fund Trustees as at December 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
February 17, 1989

Deloitte Haskins & Sells
Chartered Accountants

The Sinking Fund Trustees of the City of Winnipeg Statement of Income Account

For The Year Ended December 31, 1988

	1988	1987
INTEREST INCOME	$16,604,357	$19,721,433
INTEREST REQUIREMENTS		
Debenture debt reserves	6,955,669	8,237,139
Fully accumulated reserves (By-law 1308)(Note 7)	108,308	315,000
	7,063,977	8,552,139
EXCESS OF INTEREST EARNED OVER REQUIREMENTS	9,540,380	11,169,294
NET GAIN ON DISPOSAL OF INVESTMENTS	1,582,515	1,561,570
	11,122,895	12,730,864
ADMINISTRATION EXPENSES	88,417	131,109
NET INCOME FOR THE YEAR TO SURPLUS ACCOUNT	$11,034,478	$12,599,755

Statement of Surplus Account

For The Year Ended December 31, 1988

	1988	1987
BALANCE, BEGINNING OF YEAR	$ 747,075	$ 958,299
ADD		
Net income for the year	11,034,478	12,599,755
	11,781,553	13,558,054
DEDUCT		
Appropriations for City of Winnipeg		
Provision for Levies	9,019,620	7,000,000
Foreign exchange	2,042,401	5,810,979
	11,062,021	12,810,979
BALANCE, END OF YEAR	$ 719,532	$ 747,075

Statement of Reserve for Retirement of Debenture Debt

For The Year Ended December 31, 1988

	1988			
	Accumulated Reserve	Foreign Exchange Requirement	Total	1987 Total
BALANCE, BEGINNING OF YEAR	$148,579,725	$14,121,064	$162,700,789	$214,180,514
ADD				
Instalments — City of Winnipeg	18,963,837	—	18,963,837	21,551,513
Interest credited	6,327,820	627,849	6,955,669	8,237,139
Foreign exchange on investment maturities (Note 1)	—	181,541	181,541	1,055,144
	173,871,382	14,930,454	188,801,836	245,024,310
DEDUCT				
Excess of Reserve over Requirement	—	4,020,807	4,020,807	4,418,921
Applied to debt redemption (Notes)	32,166,668	3,165,938	35,332,606	77,904,600
BALANCE, END OF YEAR	$141,704,714	$ 7,743,709	$149,448,423	$162,700,789

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

The Sinking Fund Trustees
# of the City of Winnipeg
Notes to the Financial Statements

December 31, 1988

1. SIGNIFICANT ACCOUNTING POLICIES

Fixed income investments

Investments are carried at the lower of cost or par value. Any premiums paid on the purchase of investments are written off to the income account in the year of purchase.

Bond residues and coupons

Bond residues and coupons are carried at cost plus accrued income. Income is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

Foreign exchange on investment maturities

Foreign exchange arising on maturity of investments denominated in foreign currencies is credited to the reserve for retirement of debenture debt.

2. FOREIGN INVESTMENTS

Sinking fund assets include investments issued in United States currency having an aggregate carrying value of $7,141,932 (1987 - $7,931,409) expressed in Canadian funds.

	Par (U.S. $)	Carrying Value
Provincial and Provincial guaranteed	$ 1,200,000	$1,197,200
City of Winnipeg	6,633,000	5,944,732
	$ 7,833,000	$ 7,141,932

3. ACCOUNTS RECEIVABLE

	1988	1987
Employee Benefits Board — share of administration expenses	304,136	313,691
Sundry	1,500	1,800
	$ 305,636	$ 315,491

4. FOREIGN EXCHANGE REQUIREMENT

The foreign exchange requirement of $7,743,709 (1987 - $14,121,064) which is included in the reserve for retirement of debenture debt represents the additional amount required to increase the reserve balances for debenture debt issued in foreign currencies to amounts based on the related foreign exchange rates at December 31, 1988.

5. RESERVES APPLIED TO DEBT REDEMPTION

Amounts applied to debt redemption on the statement of reserve for retirement of debenture debt are as follows:

	Principal	Foreign Exchange	Total
By-law 19488	$ 3,000,000	$ 869,013	$ 3,869,013
By-law 2179/79	1,666,668	—	1,666,668
By-law 1852/78	13,000,000	—	13,000,000
By-law 1308	3,000,000	899,400	3,899,400
By-law 19573	2,000,000	—	2,000,000
By-law 750/74	500,000	—	500,000
By-law 1421	5,000,000	1,397,525	6,397,525
By-law 514	4,000,000	—	4,000,000
	$32,166,668	$ 3,165,938	$35,332,606

6. SERIAL DEBENTURE (BY-LAW 2179/79)

The reserve for retirement of debenture debt includes sinking fund reserve totalling $5,034,852 which is provided for the retirement of a serial debenture of $25,000,000 issued under By-Law 2179/79. This debenture does not require sinking fund payments to be made for retirement.

Amounts applied to debt redemption on the Statement of Reserve for Retirement of debenture Debt include $1,666,668 representing redemption of serial debentures issued under By-law 2179/79.

7. INTEREST REQUIREMENT ON FULLY ACCUMULATED RESERVE

By-law 1308

Debentures of $3,000,000 issued by the City of Winnipeg which matured in 1988 had sinking fund requirements which provided for full funding of reserves as of May 1, 1983, the call date. The City of Winnipeg did not exercise its option to call the issue.

Prior to the maturity of the above debentures the Sinking Fund held investments equivalent to the amount reserved and the interest earned by the Fund after May 1, 1983 on these investments was paid to the City of Winnipeg.

Winnipeg Enterprises Corporation
Sinking Fund - Balance Sheet

December 31, 1988

Assets

	1988	1987
INVESTMENT — at cost		
8½% debenture of The Winnipeg Enterprises Corporation due June 15, 1992 (Par value $1,400,000)	$ —	$1,400,000
OTHER ASSETS		
Accrued interest	—	5,217
Cash	—	767
Call loans — City of Winnipeg	—	68,000
TOTAL	$ —	$1,473,984

Liabilities and Reserve

ACCOUNTS PAYABLE	$ —	$ 300
RESERVE FOR RETIREMENT OF FUNDED DEBT		
Reserve account as required by By-law	—	1,018,155
Surplus account	—	455,529
TOTAL	$ —	$1,473,984

Statement of Surplus Account

For the Year Ended December 31, 1988

BALANCE, BEGINNING OF YEAR	$ 455,529	$ 383,059
ADD		
Net income for the year	36,773	72,470
	492,302	455,529
LESS		
Transferred to Reserve Accout	413,693	—
Disbursed to Winnipeg Enterprises Corporation	78,609	—
BALANCE, END OF YEAR	$ —	$ 455,529

Statement of Reserve Account

For the Year Ended December 31, 1988

BALANCE, BEGINNING OF YEAR	$1,018,155	$ 927,433
ADD		
Instalments received	47,814	47,814
Interest credited	20,338	42,908
Transferred from Surplus	413,693	—
	1,500,000	1,018,155
LESS		
Applied to Debt Redemption	1,500,000	—
BALANCE, END OF YEAR	—	$1,018,155

Statement of Income

For The Year Ended December 31, 1988

INTEREST INCOME	$ 57,450	$ 115,712
INTEREST REQUIREMENTS — debenture debt reserve	20,338	42,908
	37,112	72,804
ADMINISTRATION FEES	339	336
NET INCOME FOR THE YEAR TO SURPLUS ACCOUNT	$ 36,773	$ 72,468

NOTE: During the year the Sinking Fund Trustees acquired the balance of the outstanding debentures, applied the Surplus to the Reserve Account, and cancelled the debt in advance of the retirement date in accordance with provisions in the By-law.

Auditors' Report

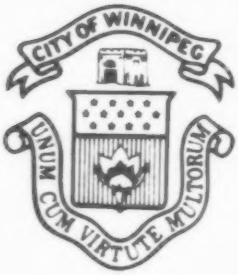
To the Sinking Fund Trustees of
The City of Winnipeg:

We have examined the balance sheet of The City of Winnipeg—Winnipeg Enterprises Corporation Sinking Fund as at December 31, 1988 and the statements of income, surplus account and reserve account for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba
February 17, 1989

Deloitte Haskins & Sells,
Chartered Accountants.



symbology

The motto of the crest "UNUM CUM VIRTUTE MULTORUM" is the Latin translation for "One with the strength of many". Two thoughts lie behind this motto. Firstly, Winnipeg is perhaps uniquely one city formed of people of all races; and secondly, it is one city formed from many cities.

The significance of the emblazonry upon the crest may be described as follows:

The Fort Garry Gate at the top represents Winnipeg's early history as a Hudson Bay fur trading centre.

Beneath the gate, thirteen gold stars on a blue field symbolize the thirteen former municipal governments which have been unified to create the new city. The blue background depicts Winnipeg's clear blue skies.

Below the sky, a prairie crocus upon a plain green field represents Winnipeg's location as a prairie city.